By Mr. HINEBAUGH: A bill (H. R. 7957) to correct the military record of Henry Keeler; to the Committee on Military Affairs.

By Mr. KALANIANAOLE: A bill (H. R. 7958) to correct the military title of Fred R. Nugent; to the Committee on Military Affairs.

By Mr. PEPPER: A bill (H. R. 7959) for the relief of Frank P. Sammons; to the Committee on Claims.

By Mr. SMITH of New York: A bill (H. R. 7960) granting an increase of pension to George H. Harris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7961) granting an increase of pension to Ira Baker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7962) granting an increase of pension to Conrad Haag; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7963) granting an increase of pension to Chauncy C. Robinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7964) granting a pension to Albert Hahn; to the Committee on Pensions.

Also, a bill (H. R. 7965) granting an increase of pension to Thomas M. Johnson; to the Committee on Invalid Pensions.

By Mr. STEPHENS of Texas: A bill (H. R. 7966) for the relief of the heirs of J. D. Bellah, sr.; to the Committee on War Claims.

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: Papers to accompany bill (H. R. 7219) for the relief of Margaret E. Hurrey; to the Committee on Pensions.

By Mr. SHARP: Petition of Local Union No. 1426, United Brotherhood of Carpenters and Joiners of America, of Elyria, Ohio, favoring the passage of legislation granting to the citizens of the District of Columbia the voting franchise; to the Committee on the District of Columbia.

By Mr. SPARKMAN: Petition of sundry citizens of Lake County, Fla., favoring the passage of H. J. Res. 163, to prevent liquor traffic; to the Committee on Interstate and Foreign Commerce.

By Mr. TALCOTT of New York: Petition of the New York State Retail Jewelers' Association, Binghamton, N. Y., favoring the passage of legislation providing for the stamping of trademark, quality, and proportion of gold contained in gold-filled watch cases; to the Committee on Interstate and Foreign Commerce.

SENATE.

MONDAY, *September 8, 1913.*

The Senate met at 10 o'clock a. m.

Prayer by the Chaplain, Rev. Forrest J. Prettyman, D. D.

The Journal of the proceedings of Saturday last was read and approved.

PROPOSED CURRENCY LEGISLATION.

Mr. STERLING. I present resolutions adopted by the Commercial Club of Pierre, S. Dak., which I ask may be printed in the RECORD and referred to the Committee on Banking and Currency.

There being no objection, the resolutions were referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

At a meeting of the Pierre Commercial Club, held September 2, 1913, the following resolution was unanimously adopted:

"That the proposed currency bill now before Congress is of such vital interest to the business and agricultural interests of the country that it merits and demands a careful and comprehensive study by Congress. Its passage should not be unduly hastened by any consideration, and it should be made the subject of public hearings before being enacted into law. A long, careful, and impartial consideration of the proposed measure convinces us that if enacted into law in its present form serious injury would follow, not particularly to the banks but to all classes of business by reason of the inevitable contraction of the power and ability of banks to extend the customary credit facilities.

"Through the mandatory transfer to the proposed Federal banks of several hundred million dollars, which is at present supplying a part of the basis of credit in the United States, the loaning power of banks will be enormously reduced. To the extent that bank reserves are locked up in the new Federal banks the ability of banks in the United States not only to extend new and better credit facilities but to maintain unimpaired the credit facilities they are now able to extend will be gradually reduced. This is by far the most important and serious contingency arising under the proposed system.

"The hope of banking reform has been a hope that credit facilities to those who need them most—to the young man in business, to the growing institution, to the units of business in developing sections of the United States—might be made more stable. To so direct credit facilities as to give them their maximum usefulness to sound business should be the first purpose of this legislation. Underlying all of this should be the thought that the defects of an inadequate system press hardest, not upon the well established, prosperous, and wealthy business men and institutions of the United States but upon those who can least afford to suffer. Every farmer, every salaried man, and every wage earner feels the brunt of financial stress first of all.

"Adequate banking reform can not be built upon a substructure that of itself causes contraction of credit. This measure, any analysis shows, must inevitably reduce the loaning power of banks in an unprecedented degree, due to the forced withdrawal from commercial banks of large deposits on which they base their present loaning power. When it is considered that the sum of this contraction will be in direct proportion to the withdrawal of funds amounting to more than a half billion of dollars, now part of the basis of the loaning power of banks, the danger involved becomes very real, and the causes of keen apprehension become very sound and well founded.

"It is not sufficient to say that banks through the exercise of the privilege of rediscount, will save business from this danger. It is true that they will do the best they can, but no law can force them to become heavy borrowers through the process of rediscount, and banking and business judgment certainly would not justify these institutions in assuming a line of rediscounts sufficient to meet such a condition as is here involved."

J. L. LOCKHART, *President.*
ALBERT GUNNERSON, *Secretary.*

COTTON CONTRACTS.

Mr. SMITH of Georgia. I have two short letters and several telegrams with reference with the cotton-contract amendment that I should be glad to have read. Very little time was taken in the discussion of the subject of cotton futures, and I ask that they be read.

There being no objection, the letters and telegrams were read and ordered to lie on the table, as follows:

BANKERS' TRUST CO.,
Atlanta, Ga., September 5, 1913.

Hon. HOKE SMITH,
Washington, D. C.

MY DEAR SIR: The price of cotton in country towns broke nearly $3 per bale to-day, the cause of which appears to be due to action of the caucus on the Clarke amendment. The people express regret that this action was not deferred until after the greater part of this crop had been sold. There seems to be no particular objections to the law, but inopportune just as we are harvesting a great crop, and the prosperity of the cotton States depending a great deal on the price they receive. I just want to give you this report of widespread adverse criticism along this line.

Yours, very truly,
W. S. WITHAM.

THE GRANTVILLE MANUFACTURING CO.,
Augusta, Ga., September 6, 1913.

Senator HOKE SMITH,
Washington, D. C.

HONORED SIR: Knowing of the absurd claims that some of the cotton speculators were making in their opposition of the amendment, concerning the downward trend of cotton, I have taken the liberty of wiring you as per inclosed confirmation.

While I do not know that the Clarke amendment is a "cure-all" for the evils of speculation, and in the wisdom of Congress it may yet have to be amended somewhat, I do know one thing, and that is that the cotton exchanges as they now exist are not run for legitimate people, and while I do not wish to see them abolished, yet some of their business transactions should certainly be rectified so as to prevent the wild speculation, both up and down, that we have in cotton at all times. I do not think it makes a particle of difference to these speculators which side of the market they are on, just so they can make money. They have sympathy neither for the manufacturer nor the farmer.

With kindest regards, I am, very truly, yours,
T. J. HICKMAN, *President.*

[Telegram.]

AUGUSTA, GA., *September 6, 1913.*

Senator HOKE SMITH, of Georgia,
Washington, D. C.:

Do not allow Senate to be deceived by numerous protests against Clarke amendment, as nine-tenths of them emanate from rankest cotton speculators, who have been attempting bull movement this early in season. Cotton having advanced speculatively 2 cents pound, yesterday's reaction natural. Conservative people believe Clarke amendment will prevent unwarranted gambling and put cotton at its fair value based upon supply and demand.

T. J. HICKMAN.

DAWSON, GA., *September 6, 1913.*

Hon. HOKE SMITH,
United States Senate, Washington, D. C.:

After a canvass of this section the opinion seems to be unanimous against the Clarke cotton rider placing tax on cotton futures as detrimental to the farmers of the South. We ask that you give your support in favor of the farmers by using your influence and vote against this measure. If adopted by the National Congress we feel that it will mean a loss of $10 per bale or more to the farmers.

LOWREY & DAVIDSON,
J. P. PERRY & CO.,
HILL & PACE,
KENNEDY & BRIM,
G. W. DOZIER & CO.,
(And others).

AMERICUS, GA., *September 6, 1913.*

Hon. HOKE SMITH,
United States Senate, Washington, D. C.:

The agitation Clarke tax bill on cotton contracts at this time will work hardship on Southern people. Why not defer until cotton-marketing season over. Note yesterday's serious decline. The success of this measure would result in the abolishment of our exchanges and enable foreign cotton trade to dictate.

L. G. COUNCIL.

CONCORD, GA., *September 6, 1913.*

Hon. HOKE SMITH,
Washington, D. C.:

If possible, kindly give us your opinion as to passage of Clarke bill against future cotton contracts. Would be glad if you would oppose same. Answer collect.

THE R. F. STRICKLAND CO.

Mr. CLARKE of Arkansas. I present a telegram in the nature of a petition, which I will ask may be printed in the RECORD.

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

AUGUSTA, GA., *September 6, 1913.*

Hon. JAMES CLARKE,
Washington, D. C.:

You have the hearty good wishes of the conservative business interests in your endeavor to cure the manipulation of cotton futures by the New York Cotton Exchange. Such manipulation is a serious detriment to the business of the spinner and a direct encouragement to ruinous speculation on the part of the gamblers. Opposition to your bill is due to the efforts of the speculators.

LANDON THOMAS.

BILLS INTRODUCED.

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

By Mr. CLAPP:

A bill (S. 3097) granting a pension to Jennie J. Sheehan (with accompanying paper); to the Committee on Pensions.

By Mr. SUTHERLAND:

A bill (S. 3098) granting an increase of pension to Mary Robertson (with accompanying paper); to the Committee on Pensions.

THE TARIFF.

The VICE PRESIDENT. The morning business is closed.

Mr. SIMMONS. I ask unanimous consent that the Senate proceed to the consideration of House bill 3321.

There being no objection, the Senate resumed the consideration of the bill (H. R. 3321) to reduce tariff duties and to provide revenue for the Government, and for other purposes.

The VICE PRESIDENT. The bill has been reported from the Committee of the Whole to the Senate, and the question is on concurring in the amendments made as in Committee of the Whole.

Mr. DILLINGHAM. Are amendments now in order?

The VICE PRESIDENT. The Chair states to the Senator from Vermont [Mr. DILLINGHAM] that amendments are in order.

Mr. DILLINGHAM. I desire to offer an amendment.

Mr. BRISTOW. As I remember, the usual practice is for the Senate to concur in the amendments made as in Committee of the Whole except as to reservations. What I wanted to know was when the opportunity would be given to make such reservations as we desire.

The VICE PRESIDENT. At any time prior to the vote.

Mr. BRISTOW. It seems to me that we ought to have a quorum for the consideration of the bill, especially for the reservations, and I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

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

Ashurst	Hitchcock	Nelson	Smith, S. C.
Bacon	Hollis	Norris	Smoot
Bankhead	Hughes	O'Gorman	Sterling
Borah	James	Overman	Stone
Brady	Johnson	Owen	Sutherland
Brandegee	Jones	Page	Swanson
Bristow	Kenyon	Perkins	Thomas
Bryan	Kern	Pomerene	Thompson
Catron	La Follette	Ransdell	Thornton
Chilton	Lane	Robinson	Tillman
Clapp	Lea	Root	Vardaman
Clark, Wyo.	Lewis	Saulsbury	Walsh
Clarke, Ark.	Lodge	Shafroth	Warren
Colt	McCumber	Sheppard	Weeks
Cummins	McLean	Sherman	Works
Dillingham	Martin, Va.	Shields	
Fletcher	Martine, N. J.	Simmons	
Gallinger	Myers	Smith, Ga.	

Mr. LANE. I desire to announce that the Senator from Oregon [Mr. CHAMBERLAIN] is absent unavoidably, and that he is paired with the Senator from Pennsylvania [Mr. OLIVER].

Mr. JONES. I desire to state that the junior Senator from Michigan [Mr. TOWNSEND] is necessarily detained from the Chamber. He is paired with the Senator from Florida [Mr. BRYAN].

The VICE PRESIDENT. Sixty-nine Senators have answered to the roll call. A quorum is present. The Senator from Vermont [Mr. DILLINGHAM] offers an amendment which will be read.

The SECRETARY. On page 209, after line 12, insert the following:

P. That it shall be the duty of the Secretary of the Treasury to annually distribute such sum as may be derived from the imposition of the income tax, as provided for in the preceding paragraphs of this section, to the several States in the proportion which the population of each State bears to the total population of the United States, to be expended in the construction and maintenance of the public highways in such States, respectively: *Provided, however,* That no such annual apportionment shall be claimed by or delivered to any State until it appears to the satisfaction of the Secretary of the Treasury that such State has appropriated for expenditure during the current year for the construction and improvement of its public highways a sum equal in amount to the apportionment under this act.

Mr. SIMMONS. If the Senator from Vermont will excuse me for a moment, I ask that the Senate concur in the amendments made as in Committee of the Whole except those that have been reserved or may be reserved.

Mr. BRANDEGEE. How will anyone know whether an amendment has been reserved or not?

Mr. CLARK of Wyoming. Or may be reserved.

Mr. BRANDEGEE. Or may be reserved.

Mr. SIMMONS. So far as I am concerned I would take the word of any Senator on the floor that he had asked that an amendment be reserved.

Mr. BRANDEGEE. When will the time for reserving amendments close?

Mr. SIMMONS. I make the request only as to committee amendments.

Mr. BRANDEGEE. I understand that, but a great many amendments have been agreed to as in Committee of the Whole. What is meant by having everything agreed to except what may be reserved?

Mr. SIMMONS. What has been reserved.

Mr. BRANDEGEE. That is plain; the other expression is not plain.

Mr. SIMMONS. All that are now reserved.

Mr. BRANDEGEE. That is plain, but the expression "what may be reserved" I do not understand.

Mr. SIMMONS. I will change it to "now reserved."

Mr. GALLINGER. Before the vote is taken on concurrence in the amendments not reserved.

Mr. BRISTOW. Mr. President, I desire to reserve the amendments made to Schedule E. That is the schedule relating to sugar and molasses.

The VICE PRESIDENT. All amendments to Schedule E are reserved.

Mr. BRISTOW. And the amendments to paragraphs 188, 189, 190, 198, 208, 227, 548, 646, and 652, subdivisions 1 and 2 of section 2 of the bill, and subdivision O, on page 207.

The VICE PRESIDENT. The Senator from Kansas makes a reservation of amendments, which will be stated by the Secretary.

The SECRETARY. The amendments in Schedule E; the amendments made to paragraphs 188, 189, 190, 198, 208, 227, 548, 646, 652; subsections 1 and 2 of section 2 of the bill; and subsection O, on page 207.

Mr. STERLING. Mr. President, I desire to reserve the right to submit an amendment to the second paragraph of the bill on page 182, and also to the last paragraph of section 2 of the bill, found on page 222.

Mr. NORRIS. Mr. President, I should like to suggest to the Senator from South Dakota, and also to the Senator from Kansas, that two prints of the bill are now on our desks, and we ought to have an understanding as to which print we are going to use.

The VICE PRESIDENT. The old print will be used at the Secretary's desk. That is the only way in which the record can be kept straight.

Mr. STERLING. In my suggestion I had reference to the new print of the bill.

Mr. NORRIS. The Senator from South Dakota ought to change his request.

Mr. BRANDEGEE. If I may be allowed to suggest to Senators, the paragraphs of the bill remain the same.

Mr. SIMMONS. The paragraphs are the same.

Mr. BRANDEGEE. Though the page may be different.

The VICE PRESIDENT. The Senator from South Dakota [Mr. STERLING] has not given the numbers of the paragraphs to which he referred.

Mr. STERLING. I refer to the second paragraph on page 182, as it appears in the new print of the bill.

The VICE PRESIDENT. That does not agree with the old print.

Mr. STERLING. It is in subdivision O.

Mr. NORRIS. While the Senator from South Dakota is looking up his reference, I wish, on behalf of the Senator from Wisconsin [Mr. LA FOLLETTE], who is temporarily absent from the Chamber, and at whose request I make the reservation, to reserve the amendments to subdivision 2 of section 2 of the bill, on pages 165 and 166.

The SECRETARY. The amendments to subdivision 2 of section 2, on pages 165 and 166, are desired to be reserved by the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. BRANDEGEE. Mr. President, I stated on Saturday before adjournment that I had several amendments that I wished to offer, and at the request of the Senator from North Carolina [Mr. SIMMONS] I deferred them. Now, I will reserve—but will not ask for the yeas and nays—a few amendments which I will designate. I simply offer them and ask leave to print in the RECORD a letter that has been written to me concerning them. These are the amendments:

On page 19, line 4, the first amendment already agreed to; on page 36, line 9; on page 41, line 21; on page 97, line 10; on page 99, line 2; on page 104, line 2; on page 109, line 5; and on page 124, line 15.

The SECRETARY. Mr. BRANDEGEE makes the following reservations: The amendment on page 19, line 4; on page 36, line 9; on page 41, line 21; on page 97, line 10; on page 99, line 2; on page 104, line 2; on page 109, line 5; and on page 124, line 15.

Mr. GALLINGER. Mr. President, I desire to reserve paragraphs 376 and 534, relating to harness leather, and so forth.

The SECRETARY. Mr. GALLINGER makes reservation on paragraphs 376 and 534.

Mr. STERLING. The reservation I now make, referring to the old print of the bill, is on page 169, line 15; and from line 16, on page 208, to the close of the paragraph on page 209.

The SECRETARY. Mr. STERLING makes reservations as follows: On page 169, the amendment beginning in line 15, and on page 208, line 16, to the close of the paragraph on page 209.

The VICE PRESIDENT. Are there any further reservations? If not, is the Senate prepared to concur in the other amendments in gross?

Mr. SMOOT. I desire to reserve paragraph 367. I take it for granted that I do not have to reserve Schedule K. I expect to offer a substitute for that schedule, which was not voted upon as in Committee of the Whole. So, for that reason, I do not reserve it.

The SECRETARY. Mr. SMOOT reserves paragraph 367.

Mr. BRANDEGEE. Mr. President, I wish to reserve—I had nearly forgotten it and can not point to the paragraph now, though I do not know whether or not any use will be made of the reservation—the question of the importer being allowed to appeal from the rate of duty fixed by the customhouse where he claims that his merchandise was assessed too low.

Mr. ROOT. Mr. President, I will suggest to the Senator from Connecticut that that will be met, not upon any Senate amendment, but by proposing an amendment to the House provision; so a reservation is not necessary.

Mr. WARREN. I want to ask the Senator in charge of the bill a question. In view of the reservation just mentioned by the Senator from Utah [Mr. SMOOT] regarding Schedule K, I think there was no reservation made on the free list as to wool when we passed through the bill, but I assume that the bringing up of Schedule K will also bring up the question of placing wool on the free list.

Mr. SIMMONS. I assume that that necessarily would be so.

Mr. WARREN. So I do not wish to make any further reservation.

The VICE PRESIDENT. Are there any further reservations?

Mr. SIMMONS. Mr. President, I wish to reserve subdivision O, on page 207.

Mr. THOMAS. I wish to reserve paragraph B, on page 250, for the purpose of offering an addition thereto.

The VICE PRESIDENT. The reservations named will be made.

Mr. MCCUMBER. I wish to reserve paragraph 646 if it has not already been covered by the reservation made by the Senator from Kansas [Mr. BRISTOW].

The VICE PRESIDENT. The reservation will be made. Are there any other reservations?

Mr. ROOT. I desire to reserve the amendment on page 172, paragraph D, section 2.

The VICE PRESIDENT. The reservation will be made.

Mr. GALLINGER. Mr. President, I will add to the reservations which I have made, paragraph 137, page 40, of the old print of the bill. The paragraph relates to needles.

The VICE PRESIDENT. The reservation will be made. Is the Senate ready to vote upon the question of concurring in gross in the amendments made as in Committee of the Whole, save and except such reservations as have been made? [A pause.] All in favor of concurring will say "aye," those opposed "no." [Putting the question.] The "ayes" have it, and the amendments made as in Committee of the Whole, save those which have been reserved, are concurred in.

Mr. DILLINGHAM. Mr. President, I find from an examination of the journal of the Vermont Senate, under date of January 15 of the present year, that one of the strong men of the State introduced resolutions on the subject embodied in the amendments which I have offered, which were referred to the committee on Federal relations. These resolutions never came up for adoption, for the reason that the constitutional amendment, which has since been ratified and has become a part of the organic law, was then awaiting action and nothing could have been accomplished; but the resolutions, I find by inquiry, represent what I conceive to be the settled conviction of men in Vermont who have given serious thought to the subject, and who think they see in the provisions of this bill serious danger to American institutions. The resolutions to which I have referred are as follows:

JOINT RESOLUTION REGARDING A GRADUATED INCOME TAX.

Resolved by the senate and house of representatives:

Whereas Congress has submitted to the States a proposed amendment to the Constitution of the United States to empower Congress to levy a graduated tax upon incomes for the purposes of the Federal Government; and

Whereas the General Assembly of Vermont of 1910 rejected the proposed amendment. Now that the attitude of Vermont may be fully understood: Be it

Resolved, 1. That we indorse and approve the general proposition of a graduated tax upon incomes. We believe that such a tax, properly graduated, would be a long step toward the solution of the serious problem of the concentration of wealth which now confronts this Nation. We believe that such a tax, justly levied and properly applied, would in a large measure alleviate class feeling and class jealousies.

2. We are in accord with the idea that the States separately are impotent to levy and collect an income tax for the reason that investments of persons of wealth are or can be so easily and widely distributed throughout the different Commonwealths which constitute the Nation.

3. We are firmly convinced, however, that it is both unwise and unjust to levy and collect an income tax and apply the same to the purposes of the Federal Government: Because

(a) The general functions of government are, under our political system, exercised by the States and not by the Federal Government, and therefore any direct tax, like a tax on income, ought to be applied directly to governmental purposes within the State.

(b) The levy and collection of an income tax for the purposes of the Federal Government would tend to engender extravagance on the part of Congress; would tend to induce sectionalism in fixing the rate of the tax and in the appropriation of the proceeds thereof; would place the expenditure of the tax largely out of the sight of the common people and in that way minimize the good effect upon class feeling which such a tax ought to bring about, and would tend to induce Congress to embark upon the expenditure of the funds in the Federal Treasury for local or sectional development and so tend to create political trading and political jealousies.

4. We express our strong belief that a graduated income tax should be assessed and collected by the Federal Government and the proceeds thereof distributed to the States in a just and equitable division and used by the States for such elementary functions of government as the maintenance of our educational system and the construction and maintenance of our public highways.

5. We urge upon Congress the views expressed in these resolutions and hereby petition Congress to submit to the States for ratification of an amendment to the Federal Constitution empowering Congress to levy a graduated income tax to be collected by the Federal Government for the benefit of the States and to be justly and equitably apportioned and distributed to the States for their use.

6. We request our Senators and Representatives at Washington to present these resolutions to Congress.

Mr. President, when these resolutions were introduced the Vermont Legislature had been in session more than three months, during which time the subject which overshadowed all others in both branches of that body related to methods of taxation. The one great question was how best to secure revenue sufficient in amount to meet the rapidly increasing expenses of State and municipal governments. During the last 20 years the demand for public improvements there, as everywhere else in the Nation, has increased beyond measure. Advanced educational facilities, the establishment and maintenance of permanent systems of highways, the installation of public water, sewerage, and lighting systems, have more than doubled the public expenses before that time deemed necessary. Almost every municipality throughout the United States is now bonded for public improvements, and it is a significant fact that during the last week such bonds bearing an interest rate of 4½ per cent and issued by one of the most enterprising and best governed municipalities in New England have been selling at par. It follows, as a matter of course, that the local rates of taxation throughout the country must constantly grow higher, and for this reason the States are jealous of any action on the part of the General Government which invades that great field of taxation which heretofore has been appropriated by them.

They look with alarm upon any proposition to change the policy of the General Government which during the entire period of its existence has provided revenue sufficient to meet all of its demands through customs duties, internal-revenue taxes, and other similar indirect methods.

They believe, as was said by the Senator from Utah [Mr. SUTHERLAND] in the debate upon the Payne-Aldrich bill, that—

except in cases of necessity the taxes of the Federal Government should be confined to those things as to which, either under the Constitution

or under the operation of this common consent, the power of the Federal Government is exclusive, because when we undertake to impose taxes upon subjects which are also open to State taxation it is bound to result in more or less confusion and in more or less inequality. It will result in double taxation, in multiple taxation, sometimes. If we impose a tax upon incomes, we are taxing a subject which is also open to the State, a subject which has heretofore not engaged very much attention of the State-taxing power, but a subject which is taxed in some of the States of the Union and which may be taxed in all of them.

I can illustrate best what I mean by that by calling attention to the proposition which was contained in the bill as it came from the House proposing a tax upon inheritances. Twenty-one, I think, of the States of the Union already impose a tax upon inheritances, and several of the States, through their legislatures, protested to the Congress of the United States against imposing taxes of that class, because it would interfere with and embarrass the State. In the same way, if we impose taxes upon incomes, and as that subject of taxation becomes more popular with the States, we shall find that we are engaged in a conflict of interests which will become more and more embarrassing as time goes on.

So I say that form of taxation or any other form of taxation laid upon the subjects which are also open to the States ought not to be adopted except in cases of emergency.

And the people, or those who believe in the principle of protection in imposing customs duties, cordially indorse the position assumed by the Senator from Iowa [Mr. CUMMINS] when, in the debate upon the Payne-Aldrich bill, he said:

I am not in favor of an income tax for the purpose of destroying the efficiency of the system of protection; and if it be true that an import-duty law can not be adjusted so as to afford ample and adequate protection to American industry without foreclosing the opportunity for the operation of an income-tax law, then I abandon the income-tax provision, for I have no desire to invade by a hair's breadth the established and long-continued policy of the party to which I belong of giving full and ample protection to the American as against every other man on the face of the earth. * * * The Senator from Rhode Island [Mr. Aldrich] on Monday morning stated in substance, as I understood him, that we did not need more revenue than will be received at the customhouses, and that, if the adjustment of the import duties presented by the committee is disturbed, we will have either too large a revenue or too little protection. This, in effect, was the statement made by the distinguished chairman of the Committee on Finance. If these conclusions are sound, I for one abandon my proposal for an income tax, for I say without hesitation that if in securing adequate protection a revenue is necessarily raised that will meet the reasonable expenditures of the Government, then, from my standpoint, it would be an economic crime to impose a tax on incomes.

Again, later on:

I will restate it. I said that if I must choose between an adequate and complete protection to the industries of the United States and an income-tax law, I unhesitatingly would choose the former.

But at this time we are confronted by the avowed purpose of the Democratic Party to wipe out of existence any resemblance of the protective principle in tariff legislation. Under the pending bill they have gone so far in this direction as they can at present, but they propose to carry on the work in the future as rapidly as possible and until their purpose shall be fully accomplished. Under the pending measure they have carried it so far that they admit a deficit of substantially $50,000,000, which must be provided for outside of the usual sources of revenue, and for this purpose they have, under the authority of the sixteenth amendment to the Constitution, provided for a tax upon incomes above $3,000 a year. They tell us that this is but the beginning of the process, and that in the progress of time we must expect to see that which has been promised by their leaders, a system under which the Government will cease to rely upon those classes of revenue which have provided for all of its wants—both in war and in peace—during more than a century of its life.

Their position has been disclosed in many ways, but never more frankly than by the utterances of Mr. Bailey, formerly a Senator from Texas, who during the discussion of the Payne-Aldrich bill in 1909 engaged in the following colloquy with Mr. Carter, of Montana:

Mr. CARTER. I ask the Senator this question, for the purpose of ascertaining whether or not I correctly understand his position: Do I understand the Senator to mean that he would raise by customs duty only such an amount as equaled the deficiency in the revenue raised by an income tax?

Mr. BAILEY. The Senator states it differently, I think, from what he intends to state it. If he means to ask me if I would deduct from customs duties the amount to be collected through the income tax, I answer "yes."

Mr. CARTER. Then I will put my question in a different form. The Senator, according to my understanding, would first pass an income tax, and rely upon customs duties to raise such revenue as the income tax did not raise to meet public necessities. The amount of the revenue duties would therefore be dependent upon the proceeds of the income tax, instead of having the proceeds of the income tax rest on deficiencies arising from the failure of the customs dues to meet the needs of the Government. Do I correctly understand the Senator?

Mr. BAILEY. The Senator undoubtedly understands me, and has stated my position correctly. I do not propose the income tax as a mere means of providing for an emergency. I propose it as a deliberate, fixed, and permanent part of our fiscal policy. (CONGRESSIONAL RECORD, p. 2446, May 27, 1909.)

And during another discussion of the same measure, Mr. Bailey said:

I do not shrink from saying that if our Constitution would permit us to levy a direct tax in proportion to wealth instead of requiring it to be levied in proportion to population, I would favor the abolition of all customs duties, and I would support the General Government by the same system of ad valorem taxation which now prevails in our several States and their subdivisions. This would not only be more equal and more just, but it would strongly tend, in my opinion, to insure that economy in governmental expenditures which is necessary to the strength and simplicity of a republic.

This policy was steadily fought by many Republicans then in the Senate. They were referred to by the then Senator from Colorado, Mr. Hughes, when he said:

I have respect for open, undisguised opposition. If Senators who are opposed to it—the income tax—say, "We will fight forever against the income tax, because we believe that if it is adopted it will grow and spread to every subject of income, until there will be nothing left to be cared for by customhouse duties, and for the sake of protection we are utterly against it," we can understand their palpable position.

Moreover, Mr. President, the Democratic Party was at that time pledged to this system, for in their national convention of 1908 they adopted this plank in their platform:

We favor an income tax as part of our revenue system, and we urge the submission of a constitutional amendment specifically authorizing Congress to levy and collect a tax upon individual and corporate incomes, to the end that wealth may bear its proportionate share of the burdens of the Federal Government.

The danger arising from the dependence upon an income tax for the maintenance of the different branches of the General Government, particularly when incomes of less than $3,000 in amount are exempt from its operation, have not, I fear, been properly considered.

Speaking upon this subject during the pendency of the Payne bill, the Senator from New York [Mr. ROOT] said:

Mr. Choate, in the argument of the Pollock case, said that under the $2,000 limit of the old income-tax law four-fifths of the tax was paid by the States of New York, New Jersey, Pennsylvania, and Massachusetts. Since that time there has been a wide diffusion of wealth, of course, but the limit is moved up to $5,000; and I apprehend that the substantial effect of the adoption by this Congress of the income-tax provision as it is drawn, with that limitation, would be that a large majority of Congress would be imposing a tax from which their constituents would be, in a great measure, free and under which the constituents of others would, in the main, be taxed.

Mr. President, I am quite indifferent about whether my constituents pay the tax. I think in this favored land the burden of taxation bears very lightly. I think that the people of New York can afford to pay this tax or can afford to pay the tax proposed to be imposed in the general income-tax amendment, but I do not like to see Senators of the United States vote for a tax which is free from objection at home because it does not strike their constituents. If once we do that, we are in a fair way to realize the anticipation of Luther Martin in his address to the Legislature of Maryland. What limit is there to the extravagance of expenditure, except the fact that the burden will come upon the men who vote the expenditure? What a temptation it would be to our successors, aye, to us, when it is proposed to expend $50,000,000 or $100,000,000 for improvements in the West, if we have a system of taxation which will make the people of the East pay for the improvements, or to vote for the expenditure of $50,000,000 or $100,000,000 for improvements in the East when the money will be paid under our taxing system by the people of the West.

Ah, Mr. President, be tender of the people whose means are small in arranging our taxation. I would not make a man whose income is $2,000 or $3,000 or $4,000 pay as large a percentage as a man whose income was three, four, or five hundred thousand dollars or thirty or forty or fifty thousand dollars; but I would have him bear some burden. I would never assent to a law, or I would with the greatest reluctance assent to a law, which seemed to be so framed that it took away from a large part of the people of a geographical section of our Union the burden which leads them to scrutinize expenditures and to measure the load that bears upon the people. In no other way lies safety, sir, for our country. The people of every section, of every class, of every condition and degree and calling ought to bear some part of the public burden. (CONGRESSIONAL RECORD, p. 4004, July 1, 1909.)

These suggestions, so pointedly made, bring us face to face to the proposition whether we shall encourage the development of a system in which sectionalism must of necessity prevail, in which class will inevitably be arrayed against class, under which the poor will be urged to action against the rich, and under which, whether fairly or unfairly, burdens in which each and all ought to bear some part will be unfairly avoided by some and be made unwarrantably severe upon others.

It can not be denied that the vast majority of the voters of the country are wholly exempt from the operation of this law, and are thus enabled to use it not only to relieve themselves but also to impose upon a small minority burdens which they ought not to be called upon to assume. I am not, Mr. President, objecting to a graduated system of imposing income taxes. I fully believe in a system that lays higher rates upon large incomes than those laid upon incomes of lesser amounts. What I object to, and what I look upon as a real danger to our system of Government, is the exemption of nine-tenths of all the voters of the United States from any share whatever in the burdens of this system, and which not only empowers but also tempts them to use their power unfairly against the small minority in financing any project which may be devised, whatever its character may be. No other civilized government has so much as considered a proposition so fraught with injustice and danger.

At this point, Mr. President, I desire to call attention to what is said by Mr. Kennan in his work on Income Taxation. He says:

From a tabulation of 56 countries which have exemptions it appears that the average amount deemed to be necessary as a minimum of existence, and therefore exempt at the foot of the scale, is $406.30. If, however, these 56 countries are divided into two groups, the first to consist of England, 14 of her colonies, and Hawaii, and the second composed of the countries and States of continental Europe together with Japan, it will be found that the first, or what might be called the English-speaking group, has an average exemption of $1,098.50, or, in round numbers, $1,100, while the average of the second group, comprising 40 countries and political subdivisions, is only $153.13.

The income tax in Europe is imposed substantially upon all classes, so that all, rich and poor, join in meeting the expenses of government, and so are better fitted to perform the obligations of good citizenship. The rates upon small incomes are, and should be, small and equitable; and, I believe, under popular government it is wrong in principle and will prove dangerous in operation to adopt any system which confers destructive powers upon the masses without check of personal participation in the consequences of their action.

Out of the thirty-odd millions of people who are engaged in gainful occupations in the United States, how many, think you, are recipients of $3,000 annually as incomes? Out of the 12,000,000 engaged in agriculture, how many are thus blessed? How many out of the six or seven millions engaged in domestic and personal service?

In trade and transportation we had in 1900 seven and a half millions of persons employed, but a close examination of the different classes discloses the fact than less than 250,000 were either bankers, brokers, wholesale merchants, officials of banks or companies, packers, or shippers. And among the more than 7,000,000 of those engaged in manufacturing less than 250,000 were classed as manufacturers or officials. The balance of those engaged in gainful occupations were the professional classes, numbering something over a million in number, which list includes actors, designers, draftsmen, clergymen, dentists, musicians, as well as those of more liberal professions.

But, to make a more concrete statement of the proposition that but few among the many are affected by this provision, let me call attention to the results of the imposition of the income tax of the Civil War.

In 1870 we had a population of 38,000,000. Of this number only 54,048, or fourteen one-hundredths of 1 per cent, had incomes in excess of $3,000.

We now have a population of about 100,000,000. By this same proportion we should have 140,000 with incomes in excess of $3,000.

But, supposing that this class has increased tenfold over this proportionate number, yet we should have but 1,400,000 with incomes in excess of $3,000, which is only about 10 per cent of our present voting population of 15,031,169, as given in the last election.

In other words, we should have a majority of 13,631,169 voters who have escaped the operation of this law and who have the power to demand of their Representatives that the whole amount of the expenses of the Government be placed upon 1,400,000 of their fellow citizens.

As a result of such consideration as I have been able to give the subject I am convinced that it is not only unwise but dangerous to embark upon this system with an exemption from its operation of more than nine-tenths of the voting population of the United States; it is a temptation to every irresponsible person in the country to exercise his right of franchise either selfishly or dishonestly and to his own advantage rather than to the advantage of the country as a whole; it will tempt demagogues to appeal to the poor against the rich, to arraign class against class, and it opens the way to a condition which may endanger the very foundation of government. We should impose these taxes so that they will be felt by all, lightly by those of small incomes and more heavily by those more fortunately situated, and so secure that sense of responsibility on the part of all classes which is essential to good citizenship, or we should adopt some method for the distribution of the avails of the tax which will tend to destroy the temptations to which I have alluded.

In the proposed division of the fund arising from the imposition of this tax among the States in proportion to the population of each, such a purpose will be achieved and the States will be enabled to meet the growing demands of the age and advance to higher and better conditions. The Nation does not need the money; the States do. I care not whether it is devoted to education or good roads or whether it is divided between the two objects. But to send it to the States in some form and for some purpose is directly in line with the thought of vast numbers of our people.

Assuming that this tax will yield forty-five to fifty millions of dollars, and that the same be distributed according to the plan proposed by the pending amendment, it would under the census of 1900 give to the different divisions of States substantially the following amounts annually:

Division.	Population.	Amount.
New England	6,552,681	$3,276,340
Middle Atlantic	19,315,892	9,657,946
East North Central	18,250,621	9,125,310
West North Central	11,637,921	5,818,960
South Atlantic	12,194,895	6,097,447
East South Central	8,409,901	4,204,950
West South Central	8,784,534	4,392,267
Mountain	2,633,517	1,316,759
Pacific	4,192,304	2,096,152
Total		45,986,131

Mr. BRISTOW. I should like to inquire if the Senator has the figures by States?

Mr. DILLINGHAM. I have not.

Mr. President, I can not close without reminding the Senate that during the period of 10 years between 1900–1910 the number of foreign-born white residents in the United States which came from the United Kingdom, Germany, the Scandinavian countries, the Netherlands, Belgium, Switzerland, and France has increased only about 38 per cent, while the increase in the foreign-born white population in the United States during the same period which came from Portugal, Italy, Russia, Finland, Austria-Hungary, Roumania, Servia, Montenegro, Bulgaria, and Greece has been over 321 per cent. During this period substantially 10,000,000 immigrants have been admitted to the United States, 75 per cent of whom came from the countries last mentioned. Of these nearly 70 per cent were males and about 86 per cent of them are leading single lives in the United States, being unmarried, or if married, having left their wives in Europe. They have moved in racial bodies toward our large cities. Of more than a million Italians coming during this period—1900–1910—over 78 per cent went to the cities; of the 1,394,000 Russians 87 per cent went to the cities; of the 1,233,000 coming from Austria-Hungary 75 per cent went to the cities; of the Roumanians almost 92 per cent went to the cities, while of the Turks 83 per cent sought these centers of population.

These figures are potent in their suggestion of the danger that lies in any proposition to place the imposition of an income tax in the hands of a majority of the people which constitute nine-tenths of the whole, but as this course has been adopted by the Democratic Party and we are forced to submit to it by virtue of a decree of their caucus, I can only hope that the result of their action may be modified by the adoption of the amendment which I have offered and that this fund may be divided among the States to be applied to State purposes.

Mr. GALLINGER. I will ask the Senator from Vermont if it might not be well to limit the authority, say, for two years, so that it shall be the duty of the Secretary of the Treasury to annually distribute the fund for a period of two years, after which time Congress may determine whether the distribution shall be continued.

Mr. DILLINGHAM. I am perfectly willing to adopt that amendment to the amendment. I have offered this amendment for the purpose of bringing to the attention of the committee what I believe to be a great danger and what I believe would be a wise solution of this question.

Mr. GALLINGER. The Senator will accept that modification of his amendment?

Mr. DILLINGHAM. I will accept that.

Mr. GALLINGER. I have written very hurriedly words that it has occurred to me should be added to the amendment, or words somewhat similar. I do not insist upon the phraseology, because I have written it hurriedly:

And if any State fails to make appropriation as above during any year, the amount designated and set aside for such State shall revert to the Treasury of the United States.

Mr. DILLINGHAM. I am satisfied with that.

Mr. GALLINGER. The Senator from Vermont will modify his amendment in that way. I pass it to the desk.

The VICE PRESIDENT. The modification will be stated.

The SECRETARY. The Senator from Vermont modifies his amendment by inserting in line 2, after the word "distribute," the words "for a period of two years"; and at the end of the amendment to insert a comma and the words:

And if any State fails to make appropriation as above during any year the amount designated and set aside for such State shall revert to the Treasury of the United States.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Vermont as modified. [Putting the question.] The noes seem to have it.

Mr. GALLINGER. I will ask for the yeas and nays on the amendment.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. BRYAN (when his name was called). I am paired with the junior Senator from Michigan [Mr. TOWNSEND]. I transfer my pair to the junior Senator from South Carolina [Mr. SMITH] and vote "nay."

Mr. CHAMBERLAIN (when his name was called). I have a general pair with the junior Senator from Pennsylvania [Mr. OLIVER]. In his absence, I withhold my vote.

Mr. LEWIS (when his name was called). I beg to announce my pair with the junior Senator from North Dakota [Mr. GRONNA]. He is still absent. I refrain from voting.

Mr. MCCUMBER (when his name was called). I have a general pair with the junior Senator from Nevada [Mr. NEWLANDS]. I will transfer that pair to the junior Senator from Maine [Mr. BURLEIGH] and vote "yea."

Mr. THOMAS (when his name was called). I have a general pair with the senior Senator from Ohio [Mr. BURTON]. I transfer that pair to the Senator from Oklahoma [Mr. GORE] and vote "nay."

Mr. WILLIAMS (when his name was called). I have a pair with the senior Senator from Pennsylvania [Mr. PENROSE], and I observe that he is not present. I withhold my vote.

The roll call was concluded.

Mr. LEA. I will announce my pair with the senior Senator from South Dakota [Mr. CRAWFORD]. If I were at liberty to vote, I would vote "nay."

Mr. BANKHEAD. I transfer my pair with the junior Senator from West Virginia [Mr. GOFF] to the senior Senator from Maryland [Mr. SMITH] and vote "nay." I make this announcement for the day.

Mr. SHEPPARD. My colleague the senior Senator from Texas [Mr. CULBERSON] is unavoidably absent. He is paired with the Senator from Delaware [Mr. DU PONT]. This announcement will stand for the day.

Mr. CHAMBERLAIN. I observe that my pair has returned to the Chamber, and I vote "nay."

Mr. BACON (after having voted in the negative). I am informed that the Senator from Minnesota [Mr. NELSON] has not voted. I withdraw my vote. I have a general pair with that Senator.

Mr. REED. I transfer my pair with the Senator from Michigan [Mr. SMITH] to the Senator from Indiana [Mr. SHIVELY] and vote. I vote "nay."

Mr. WILLIAMS. I transfer my pair to the Senator from New Jersey [Mr. HUGHES] and vote "nay."

Mr. GALLINGER. I desire to announce the absence of the Senator from Maine [Mr. BURLEIGH] on account of continued illness. I will also announce that the Senator from Ohio [Mr. BURTON] is paired with the Senator from Colorado [Mr. THOMAS]; the Senator from Delaware [Mr. DU PONT] with the Senator from Texas [Mr. CULBERSON]; the Senator from West Virginia [Mr. GOFF] with the Senator from Alabama [Mr. BANKHEAD]; and the Senator from Michigan [Mr. TOWNSEND] with the Senator from Florida [Mr. BRYAN].

The result was announced—yeas 14, nays 55, as follows:

YEAS—14.

Bradley	Clark, Wyo.	Gallinger	Stephenson
Brandegee	Colt	McCumber	Warren
Bristow	Dillingham	Page	
Catron	Fall	Perkins	

NAYS—55.

Ashurst	James	Pittman	Smith, Ga.
Bankhead	Johnson	Poindexter	Sterling
Borah	Jones	Pomerene	Stone
Brady	Kenyon	Ransdell	Sutherland
Bryan	Kern	Reed	Swanson
Chamberlain	Lane	Robinson	Thomas
Chilton	Lodge	Root	Thompson
Clapp	Martin, Va.	Saulsbury	Thornton
Clarke, Ark.	Martine, N. J.	Shafroth	Tillman
Cummins	Myers	Sheppard	Vardaman
Fletcher	Norris	Sherman	Walsh
Hitchcock	O'Gorman	Shields	Weeks
Hollis	Overman	Simmons	Williams
Jackson	Owen	Smith, Ariz.	

NOT VOTING—26.

Bacon	Gore	McLean	Smith, Mich.
Burleigh	Gronna	Nelson	Smith, S. C.
Burton	Hughes	Newlands	Smoot
Crawford	La Follette	Oliver	Townsend
Culberson	Lea	Penrose	Works
du Pont	Lewis	Shively	
Goff	Lippitt	Smith, Md.	

So Mr. DILLINGHAM'S amendment was rejected.

Mr. SMOOT. Mr. President, I move to strike out the numeral "20," on page 114, paragraph 367, line 6, and to insert in lieu thereof the numeral "10."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. In paragraph 367, page 114, line 6, at the end of the line, strike out "20" and in lieu insert "10," so as to read:

Pearls and parts thereof, drilled or undrilled, but not set or strung; diamonds, coral, rubies, cameos, and other precious stones and semiprecious stones, cut but not set, and suitable for use in the manufacture of jewelry, 10 per cent ad valorem.

Mr. FLETCHER. I will ask the Senator from Utah if in offering his amendment he uses the former print, or does he refer to the reprint?

Mr. SMOOT. The page and line refer to the original print.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Utah.

Mr. SMOOT. Mr. President, the effect of the amendment would be to place "pearls and parts thereof, drilled or undrilled, but not set or strung; diamonds, coral, rubies, cameos, and other precious stones and semiprecious stones, cut but not set, and suitable for use in the manufacture of jewelry," at 10 per cent.

Mr. President, I offer it with no hostility whatever to the rate in the pending bill if it were possible to be collected. I am fully convinced that there are many Democratic Senators who feel exactly as I do relative to a rate of 20 per cent. As I stated the other day, if it were possible to collect a high-rate duty on precious stones, I would not object to 100 per cent, but I am positive that a high rate can not be collected.

I want to give to the Senate this afternoon an ocular demonstration of the ease with which pearls can be smuggled into the country. I hold in my hand an invoice for 10 pearls purchased by Mr. Ludwig Nisson, of New York. These 10 pearls [exhibiting] cost $78,578.82.

Mr. REED. I suggest that the Senator pass them around for examination. [Laughter.]

Mr. OVERMAN. How much did they cost?

Mr. SMOOT. Seventy-eight thousand five hundred and seventy-eight dollars and eighty-two cents. Mr. President, I can conceal every one of these pearls in the center of one cigar.

Mr. ROBINSON. How did the Senator say he obtained those pearls? [Laughter.]

Mr. SMOOT. I am not going to confess to the Senator from Arkansas; but I will assure the Senator they are genuine pearls, purchased of late, and I will assure the Senator that this is the invoice of them.

Mr. GALLINGER. Probably the Senator gave bond for their safe return. [Laughter.]

Mr. SMOOT. I am compelled to return them, I will say to the Senator.

Mr. President, the duty of 20 per cent on these pearls would amount to $15,715.76. If anyone desired to smuggle similar ones into the country they could be concealed in one cigar. Take a box of 100 such cigars and use them for smuggling, filled with pearls, the loss of duty upon such would be $1,571,576.

Mr. President, the Treasury Department claims that the rate of 20 per cent in the pending bill will net the Government of the United States less than if a rate of 10 per cent were provided. Twenty per cent will be the cause of a great part of all pearls, diamonds, and precious stones being smuggled into this country.

A rather strange anomaly about this whole matter is that the honest dealers in precious stones are all opposed to the measure, notwithstanding they would be an immediate gainer. I know of one firm in New York that has over $2,000,000 worth of pearls on hand. The increase of duty from 10 per cent to 20 per cent will immediately give that firm a profit of $200,000. Yet they are opposed to the increase of duty. Why? Because they know that in the future they will be compelled to come in direct competition with men who will buy their pearls and precious stones from smugglers, instead of foreign dealers in their regular export business allowing the Government of the United States to collect 10 per cent as now. The history of the past has proven that the Government of the United States does not collect a rate higher than 10 per cent upon diamonds.

Mr. THOMAS. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Colorado?

Mr. SMOOT. I do.

Mr. THOMAS. I was simply going to suggest that, in view of the interest manifested on this subject on this side of the Chamber, it really should be the subject of consideration in executive session.

Mr. SMOOT. I am going to suggest in all seriousness to the majority that they adopt this amendment. The question will

then be in conference, and they can then decide in conference as to whether a 10 per cent or a 20 per cent duty is best.

Mr. JAMES. Mr. President, if I understand the Senator from Utah correctly, his argument is that the importers' honesty will not exceed 10 per cent.

Mr. SMOOT. It is not the importer, but it is the smuggler. The honest importer will be compelled, if he pays the 20 per cent duty on diamonds and precious stones imported from the foreign dealer, to sell in direct competition with the dishonest dealer who will buy them from a smuggler, dividing with him the amount that may be saved by the evasion of payment of a duty.

Mr. JAMES. Does not the Senator from Utah believe that a man who would smuggle for 20 per cent would not hesitate to smuggle for 10 per cent, the only difference being that he might do more of it for 10 per cent?

Mr. SMOOT. History does not show that to be the case. I presented figures here the other day, when I spoke upon this question, showing that whenever the rate had been more than 10 per cent the duty collected by the United States had fallen below that which had been collected when the rate had been only 10 per cent. There is no question in my mind, Mr. President, but that that will again be the result if a duty of 20 per cent is placed upon precious stones in this bill.

Mr. BACON. Mr. President, I have not taken any part in the discussion of the pending tariff bill. I was very much interested in it four years ago, and I did make some little investigation regarding this very matter about which the Senator from Utah is now speaking. There is one feature of the rate of duty on diamonds which I think has always been improper—it was improper in the Payne-Aldrich law and I think it is improper in this bill—and that is the difference which is made in the rate of duty on uncut and on cut diamonds. I have not the figures before me, although I did have them four years ago, and then gave them to the Senate.

I think that the uncut diamond ought to come into the country at the same rate of duty as does the cut diamond. I repeat, I made some investigation four years ago by conferring with those familiar with the subject—jewelers, men who deal in diamonds—and I then found this to be the concurrent testimony by them. Of course it will be recognized that the uncut diamond imported as such when it is cut is worth just the same in this market as is the diamond which is imported as a cut diamond, and the figures which I then presented to the Senate, and which I ascertained, after conference with those who were familiar with the matter, were correct, showed that there was a very large profit in the cutting of diamonds—I have forgotten what it was—but a very much larger profit than is found in any ordinary business.

The profit on cutting diamonds is all that any legitimate business would desire in the way of profit growing out of the importation and cutting of diamonds. There is no necessity that there should be such a difference as will not only give to the importer of uncut diamonds a very large profit in his business, but also a direct bonus, as it amounts to in this case, of over a million dollars.

There are only one or two, if I recollect aright, concerns in the United States that cut diamonds. Does the Senator from Utah know whether or not I am accurate in that statement?

Mr. SMOOT. I know of but two or three.

Mr. BACON. Very well. If the Senator will refer to the Statistical Abstract, he will see that the value will show that there is over a million dollars of difference between the amount paid on cut diamonds and on uncut diamonds at the rate provided in this bill and what they would be if the rate were the same as on cut diamonds. Therefore it is a direct bonus of between one and two million dollars to these one or two establishments in the United States that cut diamonds, when they themselves in the cutting of the diamond make an immense profit in bringing the uncut diamond up to the same value as the cut diamond.

I repeat, I did not expect to have anything to say on this subject. I have had nothing to say so far in this discussion, but I did take an interest in this matter four years ago and looked into it, and the facts are as I state them—that the effect of this disparity is to give a direct bonus of between one and two million dollars to one or two establishments in the United States that cut diamonds. It is just exactly the same as if that money were taken out of the Treasury and handed to them.

Mr. SMOOT. Mr. President, there is a differential between uncut diamonds and cut diamonds and precious stones in the present law of 10 per cent, but in this bill——

Mr. BACON. Ten per cent! It is 50 per cent.

Mr. SMOOT. Under the present law uncut diamonds and precious stones come in free, but there is a duty of 10 per cent on cut diamonds. So I speak of it in that way as being a 10 per cent difference.

Mr. BACON. Is it not twice as much in one case as it is in the other?

Mr. SMOOT. No; under the present law the uncut diamond is free and the cut diamond pays a duty of 10 per cent.

Mr. BACON. Very well. I am speaking about the provisions of this bill.

Mr. SMOOT. Under this bill the uncut diamonds carry a rate of duty of 10 per cent and the cut diamonds carry a rate of duty of 20 per cent.

Mr. BACON. Exactly. That is what I said.

Mr. SMOOT. I myself, Mr. President, agree with the Senator from Georgia that there is too great a difference in the rate between the uncut and the cut diamond; but if there was no difference, then there would be no rough diamonds or rough precious stones imported into the country, on account of the difference of cost between cutting in a foreign country and in this country.

Mr. JAMES. The Senator from Utah says that in this bill there is too great a difference—that uncut diamonds are allowed to come in at 10 per cent and cut diamonds at 20 per cent, while under the existing law uncut diamonds come in free and cut diamonds at 10 per cent. There is just the same difference between the two provisions of this bill as there is between the two provisions of the existing law. We place uncut diamonds on the dutiable list at 10 per cent duty; the present law allows them to be imported free. On cut diamonds, the present law admits them here at 10 per cent duty; in this bill we increase the duty to 20 per cent.

Mr. SMOOT. I have not denied that, Mr. President; in fact, I specifically so stated.

I shall answer the Senator from Georgia [Mr. BACON] by saying that from the figures to which I called the attention of the Senate, and also which I myself had examined into, that there is perhaps a greater differential than is really necessary between the diamond in the rough and the cut diamond.

Mr. BACON. If the Senator will pardon me just a moment—and I will not interrupt him for more than a moment—it is true, as shown by the importations, that in each instance the one or two establishments in the United States that cut diamonds have an absolute bonus of between one and two million dollars. In addition to a large profit——

Mr. SMOOT. Mr. President——

Mr. BACON. If the Senator will pardon me until I get through, I will not detain him long. In addition to a large profit each year—and I am not incorrect in this statement, because I have a very distinct recollection as to what the jewelers themselves told me as to the profit on uncut diamonds—in addition to a large profit there is a distinct bonus of between one and two million dollars each year, limited to one or two establishments in the United States.

Now, just one other word and I am done, and that is on the general subject as to whether or not there ought to be a low rate of duty on diamonds simply to prevent smuggling. I do not believe in any such doctrine. If I had the fixing of the rate, I would put the rate on diamonds a good deal higher than it is in this bill. The truth is that those who want to smuggle are going to smuggle whether the duty is 10 per cent or whether it is 20 per cent or whether it is 25 or 30 per cent. The greatest security at last against smuggling is not the rate of duty, but it is in the fact that the diamond trade is such that no large transaction can be made in the purchase of diamonds in Europe that can not easily be found out and is found out by the proper methods used for that purpose through our agents there. I understand it to be a fact that in most instances where smugglers are detected they are detected by reason of the fact that we have information before they leave the other country. That information is conveyed here, and the American customs officers are on the watch for them.

Mr. SMOOT. I will admit that there are smugglers operating to-day, but there is not the incentive to smuggling to-day that there will be if the rate is increased to 20 per cent. The Senator's opinion is not shared in by the Treasury Department, because the Treasury Department says that if the rate is advanced to 20 per cent it will be the means of increasing the smuggling of precious stones into this country, and it expresses the opinion that the amount of duty collected will not be as much as under the 10 per cent rate of the present law.

Mr. REED. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Missouri?

Mr. SMOOT. Yes; I yield.

Mr. REED. The Senator has displayed here a few pearls, the value of which I have forgotten.

Mr. SMOOT. Seventy-eight thousand five hundred and seventy-eight dollars.

Mr. REED. And the Senator made the statement that they could all be concealed in one cigar.

Mr. SMOOT. Yes; they can almost be put in a sparrow egg.

Mr. REED. If they are worth $78,000, at a tariff of 10 per cent the smuggler would gain $7,800 as his reward for bringing them over, or approximately that, although, of course, something would have to be deducted.

Mr. SMOOT. Of course the smuggler would have to sell them at a considerable reduction to the retailer or he would not buy of him.

Mr. REED. But assume that he would receive a profit of $5,000. Is not that sufficient incentive to induce smuggling when it can be done so cleverly and so easily? It seems to me the argument of the Senator proves too much; it proves that 10 per cent reward is great enough, so that if a man be dishonest he would pursue this avocation.

Mr. SMOOT. The history of importations and of smuggling does not bear out that conclusion. A man in smuggling diamonds into this country must first find somebody who will buy them, and in order to find a merchant who will buy them, the smuggler must sell at a less price than the merchant would buy them from the regular trade, and there is not enough in it after that division to cause the development of smuggling to any great extent, but when you come to increase the duty to 20 per cent there will be a strong incentive and more people will engage in that business. There are people to-day engaged in it. Many of the precious stones are smuggled into the United States under the present rates, but if the rate of duty is increased 100 per cent, there is no doubt in my mind nor is there in the mind of the Treasury officials that the business will greatly increase and that smuggling will become a general thing.

Mr. BACON. Mr. President, as I understand, under the law, if a smuggler is caught the goods are confiscated, are they not?

Mr. SMOOT. Very few have been confiscated so far.

Mr. BACON. I asked the Senator if it is not a fact that they are confiscated?

Mr. SMOOT. Yes; they are subject to be confiscated.

Mr. BACON. Yes; I understand.

Mr. SMOOT. But it only happens in very few instances that they are confiscated.

Mr. BACON. If we catch 10 per cent of the smugglers and there is a 10 per cent duty on diamonds we will get even with them.

Mr. SMOOT. Not at all. That would be a rather poor argument. It seems to me that would be equivalent to saying that we would encourage smuggling with the hope that we would at least detect 10 per cent of the smugglers. In fact, in order to get even we would have to catch one-half of them.

Mr. BACON. Not at all. If there is a 10 per cent duty on diamonds, of course the diamonds are worth ten times as much as the duty, and therefore whenever you catch one-tenth of them you have equaled the loss of the duty. If the diamond when confiscated is worth ten times as much as the duty, of course the confiscation represents ten times the amount which would have been paid had it not been smuggled.

Mr. SMOOT. The only interest I have in this subject is to see that the law which we enact can be put into successful operation, and I am simply voicing the opinion of the honest dealers of precious stones in this country, and also the opinion that has been expressed by the Treasury Department, not only in the past, but at the present time.

Mr. JONES. I should like to ask the Senator——

Mr. BACON. I will just add one word, with the permission of the Senator. I have not looked at the bill to see whether the conference committee would have any control of the question of the rate of duty on uncut diamonds——

Mr. SMOOT. They will not have unless some amendment is made. If this amendment is adopted, then I will follow it up, of course, with another amendment.

Mr. BACON. If the Senator will pardon me, what I was going to say was that I hoped if there is an opportunity to do so the difference between the duty on uncut diamonds and on cut diamonds will be removed and that there will be imposed just the same duty on uncut diamonds as on cut diamonds.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Utah [Mr. SMOOT].

The amendment was rejected.

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

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 209, after line 12, it is proposed to insert——

Mr. NORRIS. I am willing that the greater portion of the amendment should be printed without reading, because it has been once printed. There were some errors, however, as it was first printed, so that if the Secretary will read down to subdivision C it will be satisfactory to me, and then the whole amendment can be printed in the RECORD.

The Secretary proceeded to read the amendment, which is as follows:

On page 209, after line 12, insert:

Subdivision 3. A. That a tax shall be, and is hereby, imposed upon the transfer of any property, real or personal, or of any interest therein or income therefrom, in trust or otherwise.

First. When the transfer is by will or by the intestate laws of any State or Territory or of the United States from any person dying seized or possessed of the property while a resident of the United States or any of its possessions.

Second. When the transfer is by will or intestate law of property within the United States or any of its possessions and the decedent was a nonresident of the United States or any of its possessions at the time of his death.

Third. When the property of a resident decedent or the property of a nonresident decedent within the United States or any of its possessions transferred by will is not specifically bequeathed or devised, such property shall for the purpose of this subdivision be deemed to be transferred proportionately to and divided pro rata among all the general legatees and devisees named in said decedent's will, including all transfers under a residuary clause of such will.

Fourth. When the transfer is of property made by a resident, or by a nonresident when such nonresident's property is within the United States or any of its possessions, by deed, grant, bargain, sale, or gift made in contemplation of the death of the grantor, vendor, or donor or intended to take effect in possession or enjoyment at or after such death.

Fifth. When any such person or corporation becomes beneficially entitled in possession or expectancy to any property or the income thereof by any such transfer whether made before or after the passage of this act.

Sixth. Whenever any person or corporation shall exercise a power of appointment derived from any disposition of property made either before or after the passage of this act, such appointment when made shall be deemed a transfer taxable under the provisions of this subdivision in the same manner as though the property to which such appointment relates belonged absolutely to the donee of such power and had been bequeathed or devised by such donee by will; and whenever any person or corporation possessing such power of appointment so derived shall omit or fail to exercise the same within the time provided therefor, in whole or in part, a transfer taxable under the provisions of this subdivision shall be deemed to take place to the extent of such omission or failure in the same manner as though the persons or corporations hereby becoming entitled to the possession or enjoyment of the property to which such power related had succeeded thereto by a will of the donee of the power failing to exercise such power, taking effect at the time of such omission or failure.

B. The tax imposed hereby shall be upon the clear market value of the property so transferred, and the value of any transfer or transfers to any person or corporation shall be taxed at the following rates, to wit:

The first $50,000 in value of any such transfer or transfers to any person or corporation shall be exempt from taxation under this subdivision. The next $50,000 shall be taxed at the rate of 1 per cent. The next $100,000 shall be taxed at the rate of 2 per cent. The next $100,000 shall be taxed at the rate of 3 per cent. The next $100,000 shall be taxed at the rate of 4 per cent. The next $100,000 shall be taxed at the rate of 5 per cent. The next $500,000 shall be taxed at the rate of 7 per cent. The next $1,000,000 shall be taxed at the rate of 10 per cent. The next $2,000,000 shall be taxed at the rate of 15 per cent. The next $5,000,000 shall be taxed at the rate of 20 per cent. The next $10,000,000 shall be taxed at the rate of 30 per cent. The next $15,000,000 shall be taxed at the rate of 45 per cent. The next $16,000,000 shall be taxed at the rate of 60 per cent, and all over $50,000,000 shall be taxed at the rate of 75 per cent: *Provided*, That in the collection of the taxes imposed by this subdivision, if it shall be made to appear, to the satisfaction of the Commissioner of Internal Revenue, that any person or corporation liable for the payment of any tax hereunder has paid a like tax on the same transfer or transfers to any State, Territory, or District within the United States, then the amount so paid by such person or corporation to such State, Territory, or District shall to the extent of 95 per cent of the amount so paid be credited as a payment upon any tax due under this subdivision.

C. Any property devised or bequeathed to any purely educational, charitable, missionary, benevolent, hospital, or infirmary corporation, including corporations organized exclusively for Bible or tract purposes, shall be exempted from and not subject to the provisions of this subdivision. There shall also be exempted from and not subject to the provisions of this subdivision property bequeathed to a corporation or association organized exclusively for the moral or mental improvement of men or women, or for scientific, literary, library, patriotic, cemetery, or historical purposes, or for the enforcement of laws relating to children or animals, or for two or more of such purposes, and used exclusively for carrying out one or more of such purposes. But no such corporation or association shall be entitled to such exemption if any officer, member, or employee thereof shall receive or may be lawfully entitled to receive any pecuniary profit from the operations thereof except reasonable compensation for services in effecting one or more of such purposes or as proper beneficiaries of its strictly charitable purposes, or if the organization thereof for any such avowed purpose be a guise or pretense for directly or indirectly making any other pecuniary profit for such corporation or association or for any of its members or employees, or if it be not in good faith organized or conducted exclusively for one or more of such purposes.

D. That if such tax is paid within six months from the accrual thereof a discount of 5 per cent shall be allowed and deducted therefrom. If such tax is not paid within 18 months from the accrual thereof, interest shall be charged and collected thereon at the rate of 10 per cent per annum from the time the tax accrued, unless by reason of claims made upon the estate, necessary litigation, or other unavoidable cause of delay such tax can not be determined and paid as herein

provided, in which case interest at the rate of 6 per cent per annum shall be charged upon such tax from the accrual thereof until the cause of such delay is removed, after which 10 per cent shall be charged.

E. That the tax aforesaid shall be due and payable in one year after the death of the testator, and shall be a lien and charge upon the property of every person who may die as aforesaid for 20 years or until the same shall, within that period, be fully paid to and discharged by the United States; and every executor, administrator, or trustee having in charge or trust any legacy or distributive share as aforesaid shall give notice thereof in writing to the collector or deputy collector of the district where the deceased grantor or bargainer last resided within 30 days after he shall have taken charge of such trust, and every executor, administrator, or trustee, before payment and distribution to the legatees or any parties entitled to beneficial interest therein, shall pay to the collector or deputy collector of the district of which the deceased person was a resident, or in which the property was located in case of nonresidents, the amount of the tax assessed upon such legacy or distributive share, and shall also make and render to the said collector or deputy collector a schedule, list, or statement, in duplicate, of the amount of such legacy or distributive share, together with the amount of the tax which has accrued or shall accrue thereon, verified by his oath or affirmation, to be administered and certified thereon by some magistrate or officer having lawful power to administer such oaths in such form and manner as may be prescribed by the Commissioner of Internal Revenue, which schedule, list, or statement shall contain the names of each and every person entitled to any beneficial interest therein, together with the clear value of such interest, the duplicate of which schedule, list, or statement shall be by him immediately delivered and the tax thereon paid to such collector; and upon such payment and delivery of such schedule, list, or statement said collector or deputy collector shall grant to such person paying such duty or tax a receipt or receipts for the same in duplicate, which shall be prepared as hereinafter provided. Such receipt or receipts, duly signed and delivered by such collector or deputy collector, shall be sufficient evidence to entitle such executor, administrator, or trustee to be credited and allowed such payment by every tribunal which by the laws of any State or Territory is or may be empowered to decide upon and settle the accounts of executors and administrators; and in case such executor, administrator, or trustee shall refuse or neglect to pay the aforesaid duty or tax to the collector or deputy collector as aforesaid within the time hereinbefore provided, or shall neglect or refuse to deliver to said collector or deputy collector the duplicate of the schedule, list, or statement of such legacies, property, or personal estate, under oath as aforesaid, or shall neglect or refuse to deliver the schedule, list, or statement of such legacies, property, or personal estate, under oath as aforesaid, or shall deliver to said collector or deputy collector a false schedule or statement of such legacies, property, or personal estate, or give the names and relationship of the persons entitled to beneficial interests therein untruly, or shall not truly and correctly set forth and state therein the clear value of such beneficial interests, or where no administration upon such property or personal estate shall have been granted or allowed under existing laws, the collector or deputy collector shall make out such lists and valuation as in other cases of neglect or refusal and shall assess the duty thereon, and the collector shall commence appropriate proceedings before any court of the United States, in the name of the United States, against such person or persons as may have the actual or constructive custody or possession of such property or personal estate, or any part thereof, and shall subject such property or personal estate, or any portion of the same, to be sold upon the judgment or decree of such court, and from the proceeds of such sale the amount of such tax, together with all costs and expenses of every description to be allowed by such court, shall be first paid, and the balance, if any, deposited according to the order of such court, to be paid under its direction to such person or persons as shall establish title to the same. The deed or deeds, or any proper conveyance of such property or personal estate, or any portion thereof, so sold under such judgment or decree executed by the officer lawfully charged with carrying the same into effect shall vest in the purchaser thereof all the title of the delinquent to the property or personal estate sold under and by virtue of such judgment or decree, and shall release every other portion of such property or personal estate from the lien or charge thereon created by this section. And every person who shall have in his possession, charge, or custody any record, file, or paper containing, or supposed to contain, any information concerning such property or personal estate, as aforesaid, passing from any person who may die as aforesaid, shall exhibit the same at the request of the collector or deputy collector of the district and to any law officer of the United States in the performance of his duty under this section, his deputy or agent, who may desire to examine the same. And if any such person having in his possession, charge, or custody any such records, files, or paper shall refuse or neglect to exhibit the same on request, as aforesaid, he shall forfeit and pay the sum of $500: *Provided*, That in all legal controversies where such deed or title shall be the subject of judicial investigation, the recital in said deed shall be prima facie evidence of its truth and that the requirements of the law have been complied with by the officers of the Government: *And provided further*, That in case of willful neglect, refusal, or false statement by such executor, administrator, or trustee, as aforesaid, he shall be liable to a penalty of not exceeding $1,000, to be recovered with costs of suit. Any tax paid under the provisions of this section shall be deducted from the particular legacy or distributive share on account of which the same is charged.

F. That from and after the passage of this act the Secretary of the Treasury, upon the recommendation of the Commissioner of Internal Revenue, is authorized to appoint a competent person, at an annual salary of $5,000, whose special duty it shall be to conduct such investigations as may be necessary to secure the efficient enforcement of the tax imposed upon legacies and distributive shares of personal property by this section, and the Commissioner of Internal Revenue may also from time to time assign one or more special agents to aid in such investigations.

Mr. NORRIS. Mr. President, this amendment which I have offered provides for an inheritance tax upon all bequests, beginning after the first $50,000, which is exempted, and running up to as high as 75 per cent on that part of any bequest which exceeds $50,000,000.

I will print in the RECORD at this point a table showing the rate of taxation as it would work out if this amendment became a law.

The table referred to is as follows:

Table showing rate of taxation proposed.

	Per cent.
The first $50,000 of any inheritance	Exempted.
The next $50,000 of any inheritance taxed at	1
The next $100,000 of any inheritance taxed at	2
The next $100,000 of any inheritance taxed at	3
The next $100,000 of any inheritance taxed at	4
The next $100,000 of any inheritance taxed at	5
The next $500,000 of any inheritance taxed at	7
The next $1,000,000 of any inheritance taxed at	10
The next $2,000,000 of any inheritance taxed at	15
The next $5,000,000 of any inheritance taxed at	20
The next $10,000,000 of any inheritance taxed at	30
The next $15,000,000 of any inheritance taxed at	45
The next $16,000,000 of any inheritance taxed at	60
All over $50,000,000 of any inheritance taxed at	75

Mr. GALLINGER. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from New Hampshire?

Mr. NORRIS. I yield to the Senator.

Mr. GALLINGER. If the Senator will permit me, I did not quite grasp the full purport of his amendment. Does the Senator's amendment propose a direct inheritance tax or a collateral inheritance tax, or both?

Mr. NORRIS. It makes no distinction between collateral heirs and any other heirs or any other bequests.

Mr. GALLINGER. Then, if I heard the reading correctly, in the event of a State having taxed——

Mr. NORRIS I am going to take up that matter now.

One of the objections to a Federal inheritance tax, and an objection which I believe has a great deal of reason for its basis, is that the different States desire to use that as one of the methods of taxation, and therefore that the Federal Government should not engage in any tax on inheritances.

In explaining a provision of the amendment which I think entirely meets that objection, I wish to say that one of the objects of the amendment is to break up the very large fortunes. No State so far has levied, and no State dares levy, a very high tax on inheritances for fear of driving property out of its borders to other States If a Federal law were enacted that had in it a progressive rate sufficiently high to break up these immense fortunes, that objection, of course, could not apply. In order to meet that objection, I have incorporated in the amendment the following proviso:

Provided, That in the collection of the taxes imposed by this subdivision if it shall be made to appear to the satisfaction of the Commissioner of Internal Revenue that any person or corporation liable for the payment of any tax hereunder has paid a like tax on the same transfer or transfers to any State, Territory, or District within the United States, then the amount so paid by such person or corporation to such State, Territory, or District shall, to the extent of 95 per cent of the amount so paid, be credited as a payment upon any tax due under this subdivision.

I think that is an answer, in so far as under this provision I am able to make an answer, to the suggestion of the Senator from New Hampshire.

Mr. GALLINGER. Mr. President, in my own State we have a collateral inheritance tax from which we are deriving a very considerable revenue, and there has been some agitation in favor of an additional direct inheritance tax. In Massachusetts, and possibly in some other States, they have now both a direct and a collateral tax. Do I understand the Senator to say that the States must collect an equal amount, as his amendment provides, before they get the exemption?

Mr. NORRIS. Oh, no.

Mr. GALLINGER. The States are to be credited with the amount collected under State laws. Is that it?

Mr. NORRIS They are credited with 95 per cent of the amount that they have paid to the State.

Mr. GALLINGER. That is what I wanted to get clear in my mind.

Mr. NORRIS. It may be well in the beginning to state that it has been uniformly held by the courts that an inheritance tax is not a tax on property. It is a tax on the right of a person to take property which he would not be allowed to take or have a right to take if it were not for the law which, under such circumstances, gives it to him.

At this point I desire to include in the RECORD a table showing the exact amount that would be taken from bequests of various amounts, if my proposition were enacted into law.

The table referred to is as follows:

Table showing operation of proposed inheritance tax.

On an inheritance of $50,000, tax would be	$0
On an inheritance of $100,000, tax would be	500
On an inheritance of $200,000, tax would be	2,500
On an inheritance of $300,000, tax would be	5,500
On an inheritance of $400,000, tax would be	9,500
On an inheritance of $500,000, tax would be	14,500
On an inheritance of $1,000,000, tax would be	49,500
On an inheritance of $4,000,000, tax would be	449,500

On an inheritance of $9,000,000, tax would be	$1,449,500
On an inheritance of $19,000,000, tax would be	4,449,500
On an inheritance of $34,000,000, tax would be	11,199,500
On an inheritance of $50,000,000, tax would be	20,799,500
On an inheritance of $80,000,000, tax would be	43,799,500

Mr. NORRIS. It will be noted that the amendment does not levy a tax upon the estate proper but only a tax upon the various bequests; and under the amendment, if it should become a law, it would be possible for any man with any amount of property so to bequeath it as to entirely avoid the tax.

This table shows, as I have computed it, the various amounts that would have to be paid for various bequests, running from $50,000 up to $80,000,000.

All taxes are burdensome. It would be better if we could avoid taxation. We desire, and I think it is the desire all over the world, to avoid burdensome taxation and to avoid expensive taxation. From the very beginning of government men have continually tried to enact into law such systems of taxation as would be least burdensome. Of all the taxes that ever have been conceived by man there is no other that is so little a burden as an inheritance tax. It is the only tax I know of that is not directly or indirectly a tax on consumption. There is no other tax that can be so easily and inexpensively collected. There is no other tax that is any more just or fair. It is a tax that can not be passed on to some one else.

An inheritance tax of the kind that is provided in this particular amendment would not take from any man a single dollar he had done anything toward earning. It would not take away from any person a single dollar that he had anything whatever to do with creating. It would, in fact, take only a part of the property that the legislatures of the States or of the Nation have a right, if they see fit, to take away entirely.

The right to inherit property is one given to the individual by law. It is not a natural right. It may be said that in some instances the children work and labor with their parents, help to create their property, and help to accumulate their property. That is sometimes true in the accumulation of small estates. I do not believe it is true in a single case where the tax provided in this amendment would be levied. In every instance, as far as I know, inheritances of from one to two or three or four or five million dollars go to people who never have as much as crooked their fingers to accumulate the money.

It has often been said during the course of the debate in this Chamber on the income-tax provisions, and I have not heard it contradicted here or elsewhere, that immense, swollen fortunes are an evil and a detriment not only to our Government but to humanity. There is a limit beyond which money can buy neither comfort, luxuries, nor pleasure. I think it is conceded by all men that the accumulation and the entailing of immense, swollen fortunes is detrimental to the welfare of humanity.

When George Washington died he left an estate, as I remember now, valued at somewhere about $500,000, and I believe he was then the wealthiest man in the United States; but we have seen grow up within the last 50 years a large number of immense fortunes.

As was said in the debate by several Senators, some of these fortunes, perhaps, have been dishonestly acquired. Some of them have been acquired honestly and fairly under the law. I am going to take one of them as an illustration, and I am going to take one the legality, fairness, and honesty of whose acquisition, so far as I know, can not be questioned.

I take it that no one would object if we could break up the large fortunes that were dishonestly acquired; but it might be said that those that were honestly acquired ought not to be broken up, because of an alleged injustice that thereby would be done those who would otherwise inherit them.

As I said a while ago, I do not believe any injustice can come from taking away a portion of an inheritance from a man who has done nothing whatever, either with his hands or with his brains, toward its acquisition. It is taking something that he does not have, something that he can not inherit, except as the law gives him the right to inherit. It is taking something that he has not produced. The particular provision I have offered as an amendment in every instance will leave enough, without any serious taxation, to keep him and all his friends and family in absolute luxury during all their lives.

To illustrate the working out of this amendment I wish to take the estate of John Jacob Astor. Let me say right here that I have nothing against any of the Astors, or any of their predecessors, or any of those who live now. As far as I know, none of them has ever done a dishonorable act in the acquisition of property. As far as I know, the present young Mr. Astor is perfectly honorable, perfectly honest, and has not done anything to secure his fortune that is illegal, disreputable, unfair, or dishonest. When his father, John Jacob Astor, went down on the *Titanic* he left an estate, speaking in round numbers, valued at about $90,000,000. I am informed by the officials in New York City that this estate represents the increase in value of an original investment—a great many years ago, of course—of less than $2,000,000, and that all of this immense fortune has been brought about by the increase in value of real estate, principally on Manhattan Island, in which for all these years the estate has been invested.

With an investment, let us say, and it is liberal, as I understand it, of $2,000,000 years ago made by the original Astor, the estate has grown until at the death of John Jacob Astor it amounted to $90,000,000. During all those years for several generations the Astors have really done nothing except to see the estate grow and become more valuable and to live in luxury off its income.

This property, worth originally $2,000,000, now worth $90,000,000, has been made valuable by the public. Every man who ever paid taxes in New York has contributed something toward its value. Every man who ever erected a building on Manhattan Island, whether it was a mansion on Broadway or an humble cottage in the suburbs, has done something to make this estate greater. From the man in the street who laid the paving blocks to the master minds that planned the giant skyscrapers which lift their heads up in the clouds, every one of them has contributed something to the Astors. Every drop of sweat that ever trickled down over the brow of labor on Manhattan Island for a century has contributed its mite to the Astor fortune.

There is nothing unjust, Mr. President, there is nothing unfair in such a case, after the man who owned it has used it during his lifetime, for the Government to say at his death, before anybody shall take this fortune which the people of the country have in reality made, we will levy a tax and give a portion of it back to the people, and realizing that vast aggregations of wealth are harmful to free government and to humanity generally, we will grade that tax in such a way that it will be practically impossible for the large aggregations of wealth to be entailed from one generation to another.

Mr. CLAPP. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Minnesota?

Mr. NORRIS. I yield to the Senator.

Mr. CLAPP. There is a great deal, of course, in what the Senator says, but it must be based, however, upon a fundamental that reaches back of the taxing power. If the laws under which the Astor fortune—I use that as the illustration which the Senator has used—permit a fortune to be accumulated in the way in which that fortune was accumulated, there may then be a question as to the morals involved in first permitting that condition, and then turning around and from the viewpoint not of the necessity of government for revenue but to reach a condition which from the second viewpoint is sufficiently questionable to warrant reaching deep down into the fortune under the guise of taxation. That may present a question of doubtful morals.

I think I will vote for the Senator's amendment; but the trouble with an inheritance tax, especially where it is levied upon realty, is that it serves to reconcile the American people to a condition under which a man without lifting a finger accumulates year by year millions due entirely to the labor, the activity, the very existence, if I may use the term, of others. I hope the day is not far distant when instead of dealing with the frills, if I may use that expression, we will begin to go down to the fundamentals and make it impossible for a man to acquire a great fortune to which he contributes only that much which one life in a population of a million lives bears to that million.

The fortune of the Astors to-day is largely due to the fact that millions of people have resided upon Manhattan Island. To recognize that the Astors may first take that and then we get back a part of it through the doubtful process of taxation in the admitted excess of the needs of revenue it seems to me is presenting a picture in morals that we must soon withdraw from the American public.

While I shall support the amendment of the Senator from Nebraska, I wish that instead of tolerating the idea that a man makes his millions to which he is not entitled, and then the only remedy is for the people to get some of it back in excess of the due needs of revenue, we would study more and more the process by which the people in the first instance should retain that which properly belongs to them in the fruits of their existence, the fruits of their labor, the fruits of that wealth which population makes.

Mr. NORRIS. Mr. President, there is a great deal in what the Senator from Minnesota has said which appeals to me. I

do not regard it, however, as any objection to this amendment. The other day in the debate on the income tax reference was made to the inheritance tax, and it was said instead of taxing such large fortunes we ought to prevent them from being possible under our laws. That is true, perhaps, and I am not offering this amendment as a cure for all the evils of the Government or of taxation even. But we do have these large fortunes. We are facing a condition. We have men worth $100,000,000 and $200,000,000, more money than any man can use and more money than any mind can really comprehend, and we are faced with this condition. This kind of a law ought to be on the statute books even though we did what the Senator from Minnesota has so well said we ought to do—legislate in such a way, or let the States legislate in such a way, that it would be impossible to acquire in one lifetime these large fortunes.

Mr. CLAPP. Will the Senator pardon another interruption?

Mr. NORRIS. I yield to you, Senator.

Mr. CLAPP. While, as I said, I shall support the amendment, yet I fear there is this difficulty or evil that grows out of an income tax and an inheritance tax. I believe we should deal frankly with these great subjects. I believe that they do tend to reconcile the public and abate the efforts and study to find some means to first prevent them. I believe that Mr. Carnegie in doling out, as it seems to me almost in the attitude of a benefactor giving to mendicants, to communities in this country, almost on bended knees supplicating, a pittance from his hands to establish libraries, has done much to stay American thought and American purpose in trying to find some just way of preventing a Carnegie from first taking from the American people approximately $500,000,000 of property, representing a taxing power against the American people based upon the returns and earnings of that $500,000,000, and then doling some of it out as a benefaction to those who permitted the taking.

If the Senator will pardon me, too much to-day we find the American people confronted with a situation in which they come to recognize as a public benefactor the man who does thus. First, he obtains the $500,000,000, and then he doles it out to the public in institutions benevolent in their inception or institutions of an educational character.

If the Senator will pardon me another moment, the people have too much of the thought in this country that prosperity consists of a few men sitting around a banquet board heaped so high with the good things of life that a few crumbs must fall to the floor, and the gathering of those crumbs by the rank and file constitutes prosperity.

I regret that we are confronted to-day by the alternative of voting for or against these propositions, for while I believe, having tolerated a system under which these accumulations have been made, we should tax them, and perhaps temporarily have no other recourse than taxation, I can not help but feel that taxation and the receipt of these benefactions from great overgrown fortunes serve to enslave the American mind and make us more tolerant of conditions which it should be the primary thought and effort of every American patriot to see if there is not some way to so adjust the situation that instead of that banquet board thus being heaped overhigh and the crumbs falling to the masses there might be a banquet board around which all could sit with a fair equation of opportunity.

Of course, I have only used names in the sense of illustration.

Mr. NORRIS. Mr. President, I want in return to thank the Senator for what he has said. He presents a very interesting question; but, Mr. President, in my judgment, interesting as it may be, it is not directly related to the question before us. We do have the large fortunes. I presume that under any system which we could invent we are liable to have them. The particular fortune that I took as an illustration is no exception. I do not believe any man lives or ever did live who by his own effort, his own ability, his own wisdom is able to honestly make a fortune as large as the Astor fortune or as a great many of the other fortunes. They are usually made by influences entirely beyond the control of the owner; that is, if they are built up honestly.

Mr. GALLINGER rose.

Mr. NORRIS. I prefer not to yield just now. I will yield in a very few moments. I do not believe any man can make a million dollars by his own effort. These fortunes have not been made by the working of the hand or of the brain. Often accident, sometimes perhaps by some provision of law, men have been able to build up a fortune, but many of them have been built up—for instance, like the Astor fortune—that are perfectly honest, perfectly legitimate. Others have been accumulated by accident, by the investment, perhaps, of a few dollars in a mine that may turn out to give the owner millions and millions of dollars. There are thousands of ways in which these vast fortunes are accumulated. We ought to have on the statute books a law that when the man who has the fortune is through with it, when he is dead, he shall not be able to pass it on and entail it from one generation to another, and thus accelerating what everybody admits to be an evil. I yield now to the Senator from New Hampshire.

Mr. GALLINGER. Mr. President, I will take just a moment.

I have had very grave doubts as to the propriety of taking from the States the privilege of passing statutes that would cover either the question of direct or collateral inheritances, and I still entertain serious doubt on that point.

I am glad the Senator from Nebraska has differentiated, and that he takes the Astor estate as an illustration of a fortune accumulated by honest methods. I am just as much disturbed over these great fortunes as is the Senator from Nebraska, and if there is any way to halt them properly, by legislation or otherwise, I will be glad to cooperate with the Senator from Nebraska in doing it.

Of course both of us see difficulty in accomplishing that result. The Astor estate has been accumulated by the enhancement of real estate values. The original Mr. Astor, I suppose, accumulated his first $2,000,000 legitimately in the fur trade. He then, with great foresight, invested in real estate in the city of New York, and it has grown to $70,000,000 in value.

A few years ago some men in public life were criticized for the purchase by the Government of Rock Creek Park, holding that it was an expenditure which ought not to be made, but I suppose Rock Creek Park would sell to-day for at least twenty-five times what we paid for it. Mr. Seward was denounced from one end of the country to the other for investing $12,200,000 in Alaska. Yet we know that that sum is a mere bagatelle so far as the value of that great Territory is now concerned. So with the Astor estate. What cost a thousand dollars 50 years ago in New York City is worth fifty or one hundred or two hundred times that amount to-day in certain localities. So in dealing with an estate of that kind I think we ought to differentiate between that and estates accumulated in different ways.

I simply rose to say that I am glad the Senator from Nebraska recognizes that fact, and does not do as a great many men in public life do, denounce every man who has accumulated a large fortune, because some of these fortunes have been accumulated legitimately and honestly, just as the Astor estate has been accumulated.

Mr. NORRIS. Mr. President, I believe that a proper system of taxation would go a good ways, at least, to prevent the accumulation of these fortunes by the increase in the value of property. I believe that more fortunes are made on account of the increase in the value of real estate than in any other way. Many times the man who makes the investment has not exercised any particular ingenuity or wisdom. Circumstances over which he has no control have made the property very valuable. We have not yet in our States devised a system of taxation that has been just or has been able to keep down these big fortunes. If we could meet nationally that question, I would be glad to meet it. I would be glad to help, as well as I know how, to devise a system of taxation that would prevent the accumulation of large fortunes. But that would not do away with the large fortunes. It might do away with some of them, but there would be a great many of them that would be accumulated anyway under any system of laws or government.

Mr. WORKS. Mr. President——

Mr. NORRIS. All right, I yield to the Senator.

Mr. WORKS. I should like to ask the Senator from Nebraska whether he has estimated the amount of money that would be realized by the Government as the result of the adoption of this amendment?

Mr. NORRIS. No; I have not, Mr. President. I have no estimate. Of course it is a very uncertain proposition.

Mr. WORKS. Then I assume that the amendment is not offered with a view to raising needed revenue for the Government.

Mr. NORRIS. I presume the Senator from California was not in when I began my remarks. I explained a provision in the amendment that I thought would result in the different States passing the necessary laws and, in fact, getting most of the revenue that is provided for here. I have a provision in the amendment, I will say to the Senator, that I think would result in giving it practically all to the States.

Mr. WORKS. I am so strongly in sympathy with every effort to limit the great fortunes and to prevent their accumulation that I am liable to be tempted to vote for a measure of this kind, that ought not to appeal to my sense of justice. If it were necessary to raise funds for the Government by an inheritance tax, I should be entirely in sympathy with the idea of making the holder of a great fortune pay more than his

proportionate share or percentage toward that burden. Upon the other hand, it does not seem to me to be an act of justice or proper and appropriate to levy a tax of this kind simply as a means of taking away from a man the fortune that we have allowed him to accumulate.

Mr. NORRIS. Will the Senator tell me a single instance where that could possibly occur if this amendment became a law?

Mr. WORKS. I think it would necessarily occur.

Mr. NORRIS. It could not happen. The Senator has supposed an impossibility. It does not take away from any man anything that he has now.

Mr. WORKS. It is practically the same thing under the law of descent.

Mr. NORRIS. Indeed, it is not.

Mr. WORKS. Of course his descendants are entitled to receive money as if it were their own.

Mr. NORRIS. Why?

Mr. WORKS. You take it away from them.

Mr. NORRIS. Why are his descendants entitled to receive it?

Mr. WORKS. Partly because it is a law of the country and partly because——

Mr. NORRIS. Exactly; because it is a law.

Mr. WORKS. If the Senator will allow me, it is the uniform sentiment of this country that a man's children or his descendants should inherit whatever he may leave, and we are not only depriving them of what the law gives them, but what the sentiment of the country justifies. It may be possible that our laws are wrong and that that sort of thing ought not to be allowed, but I have not reached that frame of mind yet. It does not seem to me that it is proper to go to the extent the Senator proposes to go in dealing with these fortunes.

Mr. NORRIS. I will show the Senator how far we go with some of these fortunes. I want to say in answer to what the Senator from California has said that what I have proposed as an amendment to the bill would not take a dollar from any man. The reason why I have a right to inherit is because the law gives me that right. This would change that law to some extent and take away from me the right to get $40,000,000 or $50,000,000 that I had never crooked my finger to create. Is that unjust? Is there any unfair thing about that?

Mr. WORKS. Mr. President——

Mr. NORRIS. I yield to the Senator.

Mr. WORKS. That would not be unjust if we were taking this money for legitimate purposes to satisfy the needs of the country. In other words, I think the theory upon which the Senator proposes to take away the right that is given by law is a wrong theory.

Mr. NORRIS. The principal object of my amendment is to break up the swollen fortunes. The revenue would mostly, and perhaps eventually, all go to the States, and would to that extent reduce their taxation. Of course, there is always an objection to every proposition. We never can all of us agree as to just how we ought to do a particular thing that we all agree ought to be done. Here everyone agrees, as far as I know, that these immense fortunes are an evil and a menace, but when we come to any method that would in any way interfere with their being entailed from generation to generation and made still larger, then we are going to fall out about the method we take to do it.

This proposition simply says to A, when he becomes under the law entitled to receive a million dollars from somebody's estate: You can not take that property which you did not create; you can not have that immense fortune unless you give the Government, under whose laws that fortune was made, whose people really made it, a proper share of it. It is to give back to the people, in effect, what they have created, what they have in fact earned. Mr. President, every one of these big fortunes has been made, not by the man who possesses it, but by thousands and even by millions of men all over the country, whose labor has made the large fortunes possible.

Now, let us take the illustration I was starting out to give some time ago, when I was interrupted, and see the effect this would have on young Mr. Astor. He got from his father's estate, in round numbers, $80,000,000. I want to pause again to say that I do not know Mr. Astor. I have nothing in the world against him. As far as I know, he is a perfectly honorable and honest gentleman. I know that I would not harm him if I could. I would not take away from him one single cent that I believed I had no right to take. But who is there, here or elsewhere, who will say that he ever so much as crooked his finger toward the accumulation of the $80,000,000? He is the son of the man who owned it, who in turn got it from his father, and so on. That is his only claim for it.

What would this law have done to this bequest had it been in force? His share of that estate, as I have stated, was $80,000,000. The tax on $80,000,000, as will be seen from the table that I will print in the RECORD, would be $43,799,500. That would have left Mr. Astor, out of the $80,000,000, a little over $36,000,000. Is that robbing a poor man? Thirty-six million dollars came into his lap without his ever sweating a drop for its accumulation, without his ever making an effort either with his hands or brains. He had been raised on the income of it. He already had spent for his benefit the income of it, a million dollars, and here we are going to pauperize him by this unjust proposition and turn him loose upon a suffering world with only $36,000,000 and two or three hundred more thousand for spending money. That is not much of a hardship. I do not believe there is one of us here who would not feel as though we had been punished very hard if we had been taxed so little that we had $36,000,000 left.

Mr. President, what could Mr. Astor do with $80,000,000 that he could not do with $36,000,000? I want to tell you that it is beyond the power of money to accomplish everything. The man with $36,000,000 can get everything that the man with $80,000,000 can get as long as it is legitimate. He would have left with this $36,000,000 more than any one man ought to have, and there is not any injustice in it. It would be more than any man could possibly use or enjoy. It was not his property. The millions of people of the United States made that fortune as I showed awhile ago.

Let us take another illustration. Suppose this amendment that I have offered were the law and some one became entitled under a will or the intestate law of a State to $1,000,000. Let us see what he would have to pay to get that million. He would have to pay $49,500, and he would not feel it. If it was taken when he was not around he would not notice the difference in the size of his pile. If the balance was in dollar bills he would not have in his lifetime sufficient leisure time to count it to see whether he had lost any. He could not tell the difference. So, Mr. President, it seems to me that this provision that I have proposed here is no injustice to any man, but that it will have a tendency to break up the entailing of these large fortunes, giving a man who has them the right to do the breaking up himself, if he wants to, by dividing the fortune up in parcels that are small enough to entirely avoid the law.

Mr. SUTHERLAND. Mr. President——

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from Nebraska yield to the Senator from Utah?

Mr. NORRIS. I yield.

Mr. SUTHERLAND. I want to say to the Senator from Nebraska that with very much he has said I entirely sympathize. I have for many years been in favor of an inheritance tax; we have had in my own State a very good inheritance-tax law which has resulted in bringing a great deal of revenue to the State without any injury to the persons who have been taxed; but I think the Senator's proposed scheme of taxation is fundamentally wrong in some particulars.

In the first place, the Senator makes no difference between property which descends directly to the wife and children and persons who are directly dependent upon the deceased and——

Mr. NORRIS. Will the Senator let me answer that before he goes to the next proposition to which he has an objection?

Mr. SUTHERLAND. I have not quite finished my statement about that—property which descends or is willed to collateral heirs. This is what occurs to me about that: Here is a man who has a widow and a family of children, he has accumulated through a lifetime a hundred thousand dollars, which is not a swollen fortune in these days, at any rate; that hundred thousand dollars safely invested in most communities would produce an income of about $5,000 per annum. Five thousand dollars per annum to the family of that man, when you come to consider the fact that he has earned the money which he has left to them, is not an unreasonable income. I do not think that the bequest of property or which descends by operation of law, when it amounts to that sum of money or even to a larger sum ought to be taxed at all. I would be in favor of taxing it if it went to a collateral heir, who had nothing to do with earning it, but not in the case of an estate of a hundred thousand dollars to the accumulation of which the wife may have contributed her part, and which belongs to her as much as it does to the husband, and in many instances where the children have assisted to some extent. That ought to be excluded altogether. I think, in framing a Federal inheritance tax, we ought to exempt at least $200,000 where it descends directly to the wife and to the children for their benefit. Of course, when we come to State taxation, which deals with smaller amounts, that perhaps ought not to be done. That is my first objection.

Mr. NORRIS. Allow me to answer that, and then I will yield to the Senator further after I have done so.

Mr. SUTHERLAND. Very well.

Mr. NORRIS. The Senator's first objection is more a matter of detail. I would not have any particular objection to a larger exemption than that for which I have provided. I have said nothing about direct and collateral heirs, because I did not want to encumber the proposition, so far as the Federal Government was concerned, with that question, which has many difficulties in it. In the case the Senator puts as to a fortune of $100,000, let us see just what the tax would be.

Mr. SUTHERLAND. It would be $500.

Mr. NORRIS. It would be just $500. The first $50,000 would be exempt; the next $50,000 would be taxed at 1 per cent. That would not be a hardship in case the heir has to pay only $500.

Mr. SUTHERLAND. I see no reason for taking a single cent from the wife and children under those circumstances.

Mr. NORRIS. The Senator so thinks on the theory that the wife and children helped to make the $100,000.

Mr. SUTHERLAND. Whether they did so or not.

Mr. NORRIS. I would not quarrel with the Senator two minutes about making the exemption higher, so far as I am concerned, because it is the large fortunes that I wish to get at; but I do not think there is any hardship in the case the Senator puts. I do not believe this provision could result in a hardship. This tax imposed on $100,000 under this bill would require the payment of $500. There would be $99,500, or practically $100,000, left. That would bring more than $5,000 income.

In the next place, I do not believe there are fortunes even as low as $100,000 where the children do very much toward their accumulation; but, on the other hand, they have been an instrumentality of expense during the time of its accumulation. I can see the man who has a little home, working a little farm, or working by the day in a factory, who is worth $500 or $600, or perhaps $1,000 or $5,000, with his children at work and his wife working, and they are all equally interested in the accumulation of their little income. In that case all of those people have an interest, and they ought to be protected in the combined income of the family; but that will not apply in a case of even $100,000, where we come to the tax. In those cases the members of the family by their own efforts have not accumulated the fortune, as a rule. There may be a few exceptions, but I have not known of any in my lifetime. So, while I would be willing to concede all that the Senator has claimed, yet if it were necessary to get this enacted into law I would not stop to argue it; but it is not very important.

One other suggestion the Senator has made, and that is in regard to collateral and the direct heirs. My theory was that I would leave the exemptions so large that if this bill became a law it would necessarily follow—not necessarily, but it would follow—that all the States would enact inheritance-tax laws so as to take as much at least as this law provides, in order to get the benefit of the remission provided for in the bill to the States, and they would undoubtedly commence lower down. Their object would be to raise taxes, and I confess that my principal object in the legislation that I propose has not been to raise revenue, but to break up enormous fortunes. I now yield further to the Senator from Utah.

Mr. SUTHERLAND. Another suggestion which I desired to make to the Senator was this: I entirely sympathize with the Senator's view with reference to the evils which result from the amassing of vast fortunes. I think it is one of the great evils which we have in this country to-day. To my mind, there are indeed two great evils; first, the evil of putting into the hands of a few men a vast sum of money or a vast deal of property; and then the evil, which lies at the opposite pole, the depriving of a vast number of people of even the common necessaries of life. Those are the two things in our civilization that I think very greatly threaten it, and I would sympathize with any legitimate effort for breaking up both conditions of affairs to which I have referred.

I think it is a very great evil for any man in this country to have as much as $50,000,000 or to accumulate in a single lifetime as much as $50,000,000. It is a menace in and of itself, and will turn out to be so as it comes to be more and more understood—it is a menace to our scheme of civilization. So I quite agree with the proposition of the Senator from Nebraska. I myself have always advocated a graduated inheritance tax, making the tax larger as you go to the larger amounts.

The power to tax is the power to destroy, as has a great many times been said. There is no limit to it. We may utilize it either for the purpose of raising revenue or we may utilize the taxing power for the purpose of accomplishing an entirely ulterior thing, as has been determined by the Supreme Court many times. So I do not quarrel with that proposition; but the thing that occurred to me about it was, if the Senator makes his rate of taxation so high that it amounts, when you get above a certain sum, to practical confiscation, does the Senator not think that there can successfully be devised methods of getting around that by incorporating, for example? Could not some individual who has a very large fortune, millions of dollars, knowing that a fourth of it or a half of it was to be taken if he should leave it to one of his heirs—could he not form a corporation and dispose of it in that way?

Mr. NORRIS. I do not know how he could. Of course, I do not know but that it might be possible, though personally I am not able to see now just how it could be done.

Mr. SUTHERLAND. Well, it has been done for other reasons. Wealthy men have, as I understand, incorporated their estates and have in their lifetime so arranged the shares of stock that they are not obliged to go through the probate court at all. I am not entirely familiar with the machinery of it, but I simply invite the Senator's attention to a danger of that kind.

Mr. NORRIS. That would be an evil if it is possible, and after it was enacted into law if it were found that such a thing could be done it would necessitate an amendment.

Mr. SUTHERLAND. In other words, we may sometimes defeat our own purpose, however good it may be, if our law be too drastic.

Mr. NORRIS. Does the Senator think that in the part of the amendment where it is provided that a bequest exceeding $50,000,000 shall be taxed 75 per cent the tax is too great? The Senator must remember that that means that the first $50,000,000 will be taxed at the lesser rates.

Mr. SUTHERLAND. Yes.

Mr. NORRIS. So that the 75 per cent would be only on the excess over $50,000,000. Does the Senator think that is too great a tax?

Mr. SUTHERLAND. In one sense, Mr. President, no. I have always been rather conservative not only about matters of this kind, but about all matters. That is a matter of temperament; and I happen to have been constructed on the plan that I always like to know my destination before I make a start. When I know what the destination is, I may be quite willing to go there; but I do not like to proceed in a haphazard way.

I think, of course, that nobody is seriously injured if the whole amount of a fortune over $50,000,000 were taken over by the State.

Mr. NORRIS. Speaking about going far, I will say to the Senator that I would not hesitate if I thought we had a right to enact that kind of law, to absolutely take everything above $50,000,000.

Mr. SUTHERLAND. I think if the holding of such vast fortunes were impossible, it would be a very wholesome thing, so far as that is concerned. I have not the slightest doubt about it.

Mr. NORRIS. Of course, when we are exercising our taxing power I presume if we should take all of a fortune there would be danger of the law being held unconstitutional.

Mr. SUTHERLAND. I have not the slightest doubt——

Mr. NORRIS. I will say to the Senator that I have tried to go so far that the man who has the fortune would himself try to divide it up in lesser amounts. I have offered an inducement to have him do that. We have practically said by this provision, "If you do not divide up your fortune, we will do it for you just as soon as you die." The trouble with these millionaires is that they want to control their fortunes not only while they live, but after they are dead.

Mr. SUTHERLAND. I think such huge fortunes are exceedingly unwholesome, and I quite sympathize with everything the Senator has said about that. I have said the same thing myself. That has been my opinion for a good many years, and the suggestions which I am making to the Senator are not to be taken by him as hostile criticisms.

Mr. NORRIS. I do not so take them. I am very much obliged to the Senator for his suggestions.

Mr. SUTHERLAND. But they occur to me, and I make them for what they are worth.

Mr. NORRIS. I know the Senator is acting in the best of faith.

Mr. SUTHERLAND. The other suggestion which I think is worthy of a good deal of consideration in a matter of this kind is that which has already been made by the Senator from California [Mr. WORKS] as to what amount is going to be raised by this scheme of taxation. We have already imposed an income tax which has been greatly liberalized by an amendment

adopted on Saturday. If the original estimate made by the committee, that the first draft of the income-tax provision would raise $100,000,000, is correct, the amendment as it now appears will raise perhaps $150,000,000 per annum. If the Senator's scheme, even leaving out of consideration the immense fortunes, were adopted, I would venture to say that it would raise perhaps more than $150,000,000 per annum.

Mr. NORRIS. It might raise considerable temporarily. We might get a large amount from the estates of some immensely wealthy men who happened to die immediately after the enactment of the law; but the Senator will realize that if this provision were put on the Federal statute books every State would get busy and pass laws that would be at least as drastic as this in order that they might take advantage of the benefit and get for their own treasuries the 95 per cent of the taxes paid as provided for in the amendment.

Mr. SUTHERLAND. I think the Senator's provision would raise for some time a very large sum of money per annum. If we add that to the amount which is to be raised by the income tax, there will be paid into the Treasury an immense sum of money which in itself will constitute a direct invitation to extravagance.

Mr. NORRIS. The Senator ought to consider that I presume within the next year practically all of the legislatures of the States will meet, and the Senator does not doubt that at the first meeting of every State legislature they would enact an inheritance-tax law in order to get for each State its share of the moneys that would accumulate on account of this provision?

Mr. SUTHERLAND. That is probably so, but, of course, in the last analysis neither the Senator nor myself need trouble ourselves very much about what will happen under this amendment, because, in all probability, it will not be adopted.

Mr. NORRIS. I am afraid that our friends on the other side have surrendered their conscientious convictions to caucus control; I believe this amendment would be adopted if it were not for the decree of the Democratic caucus against it.

Now, unless there is some other question which some Senator desires to ask me, I will yield the floor. I had about concluded when I was interrupted.

Mr. WILLIAMS. If the Senator from Nebraska has yielded the floor, I desire to make a correction. I find this morning in the RECORD that precisely the opposite of what was intended to be done on Saturday was done with regard to the amendment beginning on page 219. My motion was to disagree to the Senate committee amendment in the paragraph beginning on line 4, page 219, the Senate committee amendment itself being in lines 6 and 7, in the words "upon a form to be prescribed by the Secretary of the Treasury according to the nature of the case." The Senate committee amendment having been to strike that out of the House bill, my motion was to disagree to the Senate amendment and restore the language of the House bill there, and that was carried.

There is also a subsequent Senate committee amendment that came up later in the same paragraph of section 4, beginning in line 21, page 219, and ending with line 7, page 220. The motion there was to agree to the Senate committee amendment, but that Senate committee amendment is, according to the RECORD, disagreed to. I move to reconsider the votes in order that the mistake may be undone and the matter fixed right.

The PRESIDING OFFICER. The question is on the motion of the Senator from Mississippi to reconsider the votes by which the action referred to by him was taken on the amendments indicated.

The motion was agreed to.

Mr. WILLIAMS. In lines 6 and 7, page 219, I move to disagree to the Senate committee amendment there.

The SECRETARY. It is proposed to strike out the words "upon a form to be prescribed by the Secretary of the Treasury, according to the nature of the case."

Mr. WILLIAMS. Now, the question will come up upon the motion to agree, and by voting "no" we will disagree to the amendment and the language of the House bill will be restored.

The PRESIDING OFFICER. The question is on the amendment.

The amendment was rejected.

Mr. WILLIAMS. Now, I move to agree to the Senate amendment beginning in line 21, page 219, and terminating in line 7, page 220.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment referred to by the Senator from Mississippi.

The amendment was agreed to.

Mr. CHILTON. Mr. President, I do not know whether or not the Senator from Nebraska desires a vote upon his amendment at this time.

Mr. NORRIS. No; there are two or three Senators who desire to speak upon it.

Mr. SHERMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Illinois?

Mr. CHILTON. Of course I will yield for a question at this time, but I desire to submit some observations to the Senate, and I presume this is as good a time as any to do so.

I should apologize, Mr. President, for saying anything upon the pending bill, but the debate has taken a very wide range and, rather than apologize, I will say to the Senate that I will occupy only a few moments of its time.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. CHILTON. Mr. President, the present bill has been in the Senate, with a favorable report from the Committee on Finance, since the 11th day of July. I believe that every Senator upon the minority side of the Chamber, except those who are on the sick list, has addressed the Senate at least once, some of them twice, and some of them many times, and some have made the same speech several times. Every section of the bill has been debated, and every objection that could be urged has been presented and discussed. Hundreds of amendments have been offered. Many days of discussion have been given to some of them, and if there be any source of information as to the duty of taking the people and the industries of this country out of the darkness of the Payne-Aldrich system into what we propose as the light of a new system, then it has not been suggested. It is difficult to imagine what it might be. Some one upon the other side of the Chamber said the other day that a new day is coming, and one of the leaders of the Democracy responded that the new day had already come. I want to correct both of them by saying that the people have declared for the new day, and are now patiently waiting, and have been waiting since the 4th of March last, for the party who promised it to usher it in. If there ever was a convert to and a believer in the doctrine—call it new freedom, progressivism, or what you may—that nothing should stand between the representative and the people, and that nothing ought to debar a majority of the voters of this country from having anything they want, consistent with the natural and constitutional rights of each individual, that convert is the Democratic majority. Formerly this was the belief of a majority; now it is the living conviction and the expressed party demand of the Democracy. We on this side believe that each representative of the States and the people here should cast each vote as if a majority of the people of his State were present and the representative was casting the vote simply because it is inconvenient for the people to cast it for themselves. But ever since this Government has been a government it has been administered by political parties, and as long as it shall be a government of the people that system will be a necessity. Once destroy the right or the power of the people to express themselves here through their political organizations and the Government will soon become a prey to personal and financial organizations, beside whose misgovernment the few objections to political organizations will be quite trivial.

In every State in this Union governors, legislators, Congressmen, and Senators are elected by political parties, and while strife between political parties has often been upon issues which were not real, still the essential fact remains that in some sort of a way political parties get together and each nominates candidates for governor, for Congressman, for members of the legislatures, and for United States Senators, and they elect them upon platforms or principles always enunciated before the people pass upon the merits of the candidates or of the political party. The primary-election system, the groundwork of election reform, recognizes parties. Indeed, it is built upon the essential truth that this Government will be run by political parties, and that nominations require, therefore, all the safeguards of a general election. We can not reform political parties by abolishing them. Recognizing that party government has come to stay, the people have demanded that primaries and other reforms shall regulate them. The Democrats of the Senate have held an open, fair primary on this bill and have elected it. In the last election there were three great political parties, which it may be now said were, at the beginning of the campaign, in sight of the Presidency and within reach of controlling the legislative branch. These were the Democratic Party, its ancient enemy the Republican Party, and the new Progressive Party, organized by that extraordinary man, who, as member of the legislature, civil-service commissioner, police commissioner, Assistant Secretary of the Navy, Vice President, and President of the United States, has measured swords with the great men of the earth, and who has distinguished himself, in his private capacity as historian, scholar,

editor, and naturalist, and crowned his achievements in 1912 by taking up the handicap of bolting the Chicago convention and organizing, within the space of four months, a political party which got more votes and carried more States than did the Republican Party. Great as was this achievement, and much as I am ready to concede of intellectual and personal force and political prowess to the eminent citizen who led it, I am forced to believe that less was due to his personal powers than to his acuteness in striking at the psychological moment. It can hardly be doubted now that the revenue bill now upon the statute books—the Payne-Aldrich bill—was, at the time of the assembling of the Republican convention in Chicago in 1912, the most unpopular statute, barring the alien and sedition laws of Adams's administration, that the people ever started in with a firm determination to repeal. While it may be denied in certain quarters now, still the sober judgment of the country felt then as it feels now, that this law was passed in violation of the solemn promise of the Republican Party made in 1908 to revise the tariff downward.

It must be admitted that the words of the Republican platform in 1908 do not use the word "downward" in this connection, still the construction put upon the platform by the party leaders, and especially by the candidate for the Presidency at that time, made it clear enough that not only was a revision upward not anticipated, but that a revision downward was intended. During the debate upon the bill in 1909 the meaning of the platform and its contemporaneous construction by the leaders of the party was thoroughly ventilated, and anyone who reads those debates is forced to the conclusion which I have stated. It will serve no good purpose to go into the details of the manner in which the Payne-Aldrich bill was passed nor to analyze its schedules for the purpose of showing that the indictments against the bill by what was then known as the insurgents were justified. I do say that when the campaign of 1912 opened no party which apologized for the law or which did not promise to repeal it or correct what the people believed to be its inconsistencies, enormities, and wrongs had any sort of chance to be successful in that election, and when by the fortunes of war or the manipulations of committees, not for me to decide, it became a foregone conclusion that the President who signed the Payne-Aldrich bill and who "swung around the circle" and delivered a series of speeches in its defense, would be the nominee of the Republican Party, it ought to have been apparent to anyone who deserved the name of politician or statesman that that party was doomed to defeat and, as I shall show later on, the platforms of every other political party and the result of the vote in November following demonstrated the correctness of this view. We may differ upon details, we may differ upon the free list, the cost of labor in certain productions at home and abroad, the desirability of putting trust-made articles upon the free list, and how to graduate the income tax, but if we shall try to record in our action here the vote of the people of the United States in 1912, I am forced to say, with the greatest respect for anyone who may differ with me, that any bill which gives the people sufficient revenue to run this Government, which substantially tries the experiment of reducing the high cost of living by taking some of the taxes from the necessities of life, and which recognizes the consuming public as a factor to be consulted, is much preferred by the voters to the law now on the statute books.

At the election there were cast the following votes for each of the prominent candidates for the Presidency: For Wilson, 6,293,454; for Roosevelt, 4,119,538; for Debs, 900,672; Chafin, 206,295; and for Taft, 3,484,980. In other words, the party which stood for the Payne-Aldrich bill received about 23 per cent of the vote cast, while the other three leading parties together received approximately 75 per cent of the total vote. It is somewhat remarkable that the platforms of 1912, enunciated by the four leading parties in the country, should so soon be forgotten. It is even more remarkable that the leading men in public life should in discussions on this floor base an argument against this bill upon an alleged fact, which a very little investigation would disclose was the old story of the wish and the thought and thence to the belief and its acceptance.

The junior Senator from Wyoming, in a recent address to the Senate, took the position that all the votes cast for Taft and for Roosevelt in the election of 1912 were votes in favor of a protective tariff, and it was because of that position that I made the calculations and looked up the story of the election returns already given. However, it is far from our purpose to allow the position of the Senator from Wyoming from any standpoint to go unchallenged. The most casual reading of the Progressive platform will show that every intelligent vote cast for Roosevelt was a specific rebuke to the Payne-Aldrich bill. I have found in that document the following strong language:

> We condemn the Payne-Aldrich bill as unjust to the people. The Republican organization is in the hands of those who have broken, and can not again be trusted to keep, the promise of necessary downward revision.

There can be no mistaken view about the meaning of this language. I call attention especially to the charge that the Republican Party has broken faith with the people and that it can not be trusted to keep the faith, and that the Republican organization was not competent to revise the tariff downward. I leave it to a candid public to reconcile the vigorous English just quoted with the claim of the Senator from Wyoming.

Again quoting from the first, last, and only declaration of the Progressive Party:

> We demand tariff revision because the present tariff is unjust to the people of the United States. Fair dealing toward the people requires an immediate downward revision of those schedules wherein the duties are shown to be unjust and excessive.

Assuredly if any voter would vote for that clause in the Progressive platform, he would be amazed if told that he did so in order to indorse the Republican program on the tariff. But I quote again from the same platform:

> Primarily the benefit of any tariff should be disclosed in the pay envelope of the laborer.

Having denounced the present law as unjust to the people, and having declared that the Republican organization was in the hands of those who had broken faith with the people and could not be trusted to keep the promise of necessary downward revision, it is a most modest claim to insist that the clause just quoted meant to express the conviction of the Progressive Party that the then lean pay envelope of the laborer was evidence of the broken faith of those who cry "protection to labor" into the ears of everyone who makes an effort to put business upon a competitive basis by reforming a condemned revenue system. It certainly requires no excessive strain upon credulity to construe the Progressive Party's demand for "an immediate downward revision," its gentle reminder that the Republican organization could not be trusted to keep a promise, and its sarcastic generality about the pay envelope, when taken together, as an indictment against that kind of protection then in the public mind, the result of the past performances of the Republican Party. But let us quote again from the same document:

> We declare that no industry deserves protection which is unfair to labor or which is operating in violation of Federal law.

Can anyone make good the claim that these declarations are in accord with the Republican position upon this floor, demanding protection whether or not it is enjoyed by trusts that control the greater part of the product, many of which have been convicted of violating the Sherman antitrust law? Is there a clause in the Payne-Aldrich tariff bill which holds out to labor any hope that it will get any part of the increased cost of an article due to the protective tariff in any other way than through demands of its organization or the law of supply and demand in labor?

In view of the fact that at the time the clause which I have just read was written the Republican Party had been in control of the Government for over 15 years and strikes were prevalent in many of the great textile industries, as well as in many other industries whose products were supposed to have been protected for labor's benefit by the Payne-Aldrich bill, what could have been in the mind of the party which announced this plank except the Republican Party, its platform, its policies, and the then very apparent failure of labor to get its share of the high tariff through the pay envelope? But there is another plank in that platform equally as conclusive upon the point which I am trying to make. In view of the absence of much consideration for the consumer upon the part of a section of the minority now claiming sympathy with the Progressive platform, the clause which I am about to quote is interesting. It reads as follows:

> We believe that the presumption is always in favor of the consuming public.

That sounds more like a message of President Wilson or the report of the present Finance Committee than even acquiescence in, much less indorsement of, the Republican position upon the tariff. It may be set down that whenever the consumer is mentioned in a platform it is not the Republican platform. Whenever the consuming public is to be a factor in framing a revenue bill it is a safe guess that the Republican Party is not in a majority in Congress. That this peculiar language was used at that particular time is a mountain of evidence that the leaders of the party who framed that platform were getting far away from the old stand-pat Republican idea of the tariff. They were anxious that the voters should under-

stand that the new Progressive Party did not propose that the Democratic Party should have a monopoly upon the idea that the consuming public, the largest part, indeed all, of the population, should have not only consideration but favor, if any should be distributed, in framing the tariff. It is now a part of the history of this debate upon the pending bill that the Democratic members of the Finance Committee have shown that it is the purpose of our party to give the presumption always in favor of the consuming public, and in doing so they have followed not only a time-honored principle of the Democratic Party, but the exact rules laid down by the Progressive Party for reforming the tariff. It is true that the platform of the Progressive Party favored a tariff commission to report to the President and to Congress. But, consistent with its other declarations which I have quoted, it made the following qualification:

The work of the commission should not prevent the immediate adoption of acts reducing those schedules generally recognized as excessive.

So careful were the framers of the Progressive Party platform to acquiesce in the demand for immediate revision that it made it a part of its covenant that its demand for a tariff board should not be used as an excuse to prevent the immediate downward revision of the tariff.

Therefore I say that the Democratic Party is amazed to hear it claimed upon this floor that a vote for Roosevelt in 1912 was a vote for a protective tariff, as understood and announced by the Republican members. The exact contrary is the case, as the quotations which I have made from the platform verify.

But the hopelessness of the Republican position on the tariff, in any issue before the masses, is apparent from another factor in the recent election returns.

There were 900,672 votes cast in the election of 1912 for the Socialist candidate for President. Let us see whether or not, by any fair construction of the language of the Socialist platform, these votes were cast in favor of the Payne-Aldrich tariff bill or the protection system which the framers of that bill are advocating at this time. In the Socialist platform, under the head of "Political demands," clause 3, we find the following:

The gradual reduction of all tariff duties, particularly those on the necessities of life, the Government to guarantee the reemployment of wage earners who may be disemployed by reason of the tariff schedule.

Comment is hardly necessary. I could leave that language to speak for itself. It demands a reduction of all tariff duties, not some, but lays particular stress upon those duties levied on the necessities of life. There is just as much reason for claiming that the 900,672 votes cast for Debs should be counted in favor of a protective tariff as understood by the Republican Party as to make such a claim for the vote cast for Roosevelt.

It is useless to quote here from the Democratic platform, but with the permission of the Senate I will insert the Democratic tariff plank of 1912 as a part of my remarks:

We, the representatives of the Democratic Party of the United States, in national convention assembled, reaffirm our devotion to the principles of democratic government formulated by Thomas Jefferson and enforced by a long and illustrious line of Democratic Presidents. We declare it to be the fundamental principle of the Democratic Party that the Federal Government under the Constitution has no right or power to impose or collect tariff duties except for the purpose of revenue, and we demand that the collection of such taxes shall be limited to the necessities of government honestly and economically administered. The high Republican tariff is the principal cause for the unequal distribution of wealth; it is a system of taxation which makes the rich richer and the poor poorer; under its operations the American farmer and laboring man are the chief sufferers; it raises the cost of the necessaries of life to them but does not protect their product or wages. The farmer sells largely in free markets and buys almost entirely in protected markets. In the most highly protected industries, such as cotton and wool, steel and iron, the wages of the laborers are the lowest paid in any of our industries. We denounce the Republican pretease on that subject and assert that American wages are established by competitive conditions and not by the tariff.

We favor the immediate downward revision of the existing high and in many cases prohibitive tariff duties, insisting that material reductions be speedily made upon the necessaries of life. Articles entering into competition with trust-controlled products and articles of American manufacture which are sold abroad more cheaply than at home should be put upon the free list.

We recognize that our system of tariff taxation is intimately connected with the business of the country and we favor the ultimate attainment of the principles we advocate by legislation that will not injure or destroy legitimate industry.

We denounce the action of President Taft in vetoing the bills to reduce the tariff in the cotton, woolen, metal, and chemical schedules and the farmers' free-list bill, all of which were designed to give immediate relief to the masses from the control of the trusts.

The Republican Party, while promising tariff revision, has shown by its tariff legislation that such revision is not to be in the people's interest, and, having been faithless to its pledges of 1908, it should not longer enjoy the confidence of the Nation. We appeal to the American people to support us in our demand for a tariff for revenue only.

It can thus be seen that the Democratic Party, the Progressive Party, and the Socialist Party, which together cast over 75 per cent of the total vote of 1912, made a direct attack upon the Payne-Aldrich tariff bill. If it is to be said that the Socialist plank was a flank movement instead of a front charge, it is all sufficient to fall back upon the vote of the Democratic and Progressive parties, which together gave over 10,300,000 votes. The Democratic Party did not condemn the law upon the statute books in any more vigorous language than did the Progressive Party. The latter condemned it, in terms, as "unjust to the people" and demanded a tariff revision because of its "injustice to the people." Anyone who votes against the present bill can make his own reckoning with the voters as we who intend to vote for it must do; but if the Progressive Party were in the majority and making this bill and should present one on the lines suggested by the amendments which have been offered by the Members of the Progressive Party, or by those who call themselves Progressive Republicans, or by those, if any such there be, who have not yet made permanent political alliances and could be happy with either the Republican Party or the Progressive Party, "were t'other dear charmer away," I would frankly say that I would prefer any such bill to the Payne-Aldrich tariff and would readily vote for it rather than go back to my people and say I had missed an opportunity to substitute for the present condemned law a bill which more nearly meets the demands of the platform of the political party to which I belong. The day may be put off, but some time in the near future every Senator upon this floor must settle with his own constituents whether or not the bill offered by the Democratic Party is better than the Payne-Aldrich bill, and must make up his mind to go back to his people and explain why he voted to leave upon the statute books a bill condemned by over 75 per cent of the voters. And what a condemnation it was!

It seems to me that Mercy must have stood by Justice as the roll of the States was called in that election, and remembering Lincoln, Grant, Garfield, and Blaine, the great Dolliver, and the other eminent men and achievements of the Republican Party must have fairly shuddered when she realized that the roll call had proceeded down to the letter "T" without a single score standing to the credit of that party. She comprehended that there were few from which to select and that something must be done quickly to prevent the Republican Party from drawing a blank in the presidential election. There was but one State under the letter "U." In the "V's" there were Virginia and Vermont, but Virginia, the mother of Presidents and the birthplace of Wilson, was not to be considered. In the "W's" there were Washington, West Virginia, Wisconsin, and Wyoming. Washington was guarded by her alert junior Senator; West Virginia had been shaken too deeply by the new freedom to hold out hope; and Wisconsin's senior Senator had done his work too well for that State to fail to draw the broad distinction between true reform and the succotash of Rooseveltism or revert to standpattism; Wyoming, while accounted as a standpatter, had suffered and had felt the throb of the progressive movement from Sundance to Bitter Creek, and even her distinguished leaders on this floor who still cling to the old name and "plotted at Mentone" with their Bourbon brethren against the new Napoleon could not hold out even a hope to the willing goddess. There were no "X's," no "Y's," no "Z's." Therefore Mercy had a small list from which to choose and little time to make the choice. Justice was proceeding with the roll call, for she cared nothing for memories, names, or consequences. For the gentle Mercy it was then or never. She grabbed from the remainder of the list all that was possible. From the letter "U" she took the one State of Utah, from the "V's" she choose Vermont, and these two, which together had eight votes, were "snatched from the burning" as the seed corn of the reactionaries. Upon the granite green hills of the one and beside the dead sea waters of the other she planted the tattered flag of those who deliberately chose to stand with their faces toward Nebuchadnezzar and the Ptolemies for political inspiration. The followers of those two tiny, far-apart flags, like the monarchists of France, with their faces to the setting sun, still argue against the progress which engulfed them, and they now contend, backed only by eight little votes, that the Democratic Party is not commissioned by the people to revise the tariff downward because it did not receive a majority at the last election and Mr. Wilson was elected by a mere plurality.

That fact may be conceded without lessening the significance of the result from the standpoint of either reason or history. The fact is that the present law and those responsible for its passage were politically overwhelmed. The result shows that had the question been put, "Shall the Payne-Aldrich law remain permanently as a part of the statute law of the country?" the result would have been such a negative as probably to have swept even Utah and Vermont to the side of progress. When the voters went to the polls in 1912 they knew that a plurality was sufficient to carry any State, and they thoroughly understood that the election of Mr. Wilson meant that his party would revise the tariff downward and would

restore a revenue tariff and destroy the one formed for the purpose of protecting certain interests. The result in every State carried by Mr. Wilson by a plurality has the same significance to him and his party as if it had been carried by a clear majority over all. Governors, Congressmen, and members of the State legislatures are elected in the same way; and this is the first time that it has ever been argued that a party must be false to its platform pledges because it did not carry every State necessary to constitute a majority in the electoral college by a clear majority. It was part of the compact made with the people in 1912 that if the Democratic Party should win by either a majority or a plurality then it would do exactly as it is doing now—revise the tariff downward in good faith so as to put business upon a competitive basis and make a tariff that is justified under the Constitution.

But Mr. Wilson is not the first President who has been elected by a plurality. Polk in 1844 lacked 14,125 votes of a majority. Taylor in 1848 was short 150,000 votes of a majority. Lincoln in 1860 received about 900,000 votes less than a majority. Hayes in 1876 was not elected at all, but occupied the presidential chair four years against an admitted clear majority of the popular vote for Tilden of nearly 200,000; Garfield in 1880 had over 300,000 votes less than a majority; Cleveland in 1884 was 200,000 votes short of a majority; Harrison in 1888 received 98,017 votes less than Cleveland and was short of a majority of the whole vote by nearly 500,000; and Cleveland in 1892 lacked 945,515 votes of a majority of the votes cast.

I know that the party which now stands third on the list of political parties in the United States meets these lessons of history by the claim that in States like West Virginia and Nebraska, for instance, the electors for President were elected by only a plurality in 1912, and that for this reason Mr. Wilson's election can not be compared to the instances cited. But they forget that Cleveland in 1884 carried New York by a plurality of only 1,149, and that Lincoln's election in 1860 was due to the candidacies of Douglas and Breckinridge, which divided the opposition strength.

They forget that in the election of 1860 California gave Lincoln a plurality of less than 700 over Douglas, when there were over 40,000 votes cast for other candidates. Georgia cast its vote for Breckinridge by only a plurality. Kentucky was carried by Bell by a plurality; Louisiana voted for Breckinridge by only a small plurality; Maryland for Breckinridge by less than 1,000 plurality; Missouri for Breckinridge by less than 500 plurality. Oregon was carried by Lincoln by a plurality of a little more than 1,300, and there were 3,000 votes cast for the other candidates. Tennessee went for Bell by a plurality of less than 5,000 over Breckinridge, and there were 11,350 votes cast for Douglas. Virginia gave Bell about 300 over Breckinridge, and there were 8,000 votes cast for the other candidates.

In the election of 1876 Indiana was carried by Hayes by 5,500 plurality and there were 9,533 votes cast for Cooper.

In the election of 1880 Hancock carried California by a plurality of less than 100 with nearly 4,000 votes cast for the other candidates. Garfield carried Indiana by less than 7,000 plurality with nearly 13,000 votes cast for Weaver. In that election New Jersey was carried by Hancock by a plurality of 2,000 with over 2,800 votes cast for the other candidates.

In 1884 Cleveland carried Connecticut by a very small plurality. He carried Indiana by a plurality of over 6,000, with 11,000 votes cast for the other candidates. Massachusetts was carried that year by Blaine by a plurality of 24,000 when there were over 34,000 votes cast for the other candidates. Blaine carried Michigan that year by a plurality of 43,000, when there were over 60,000 votes cast for the third candidate. Cleveland carried New Jersey that year by a little over 4,000 plurality, when there were over 9,000 votes cast for the third candidate.

The broad claim that Mr. Wilson is a plurality President is admitted, but history shows that among the list of Presidents mentioned above others stand in the same category, and Mr. Wilson is therefore in law, in morals, and by precedent as clearly commanded to carry out the platform pledges of his party as were Polk, Taylor, Buchanan, Lincoln, Hayes, Garfield, or Cleveland. But at the election of 1912 Mr. Wilson got a plurality of over 2,100,000 and received 435 electoral votes to 88 for Roosevelt and 8 for Taft. Nothing in our history compares with this net result save and except the second election of Jefferson, in 1804, and the two elections of Monroe, in 1816 and 1820. But when it is noted that the combined vote for Taft and Roosevelt in 1912 did not equal the vote for Taft in 1908 by about 70,000 nor the Roosevelt vote in 1904 by about 20,000, all grounds for Republican consolation are wiped away.

But this bill contains an income-tax provision which taxes incomes by graded scales, commencing at incomes of $3,000 and increasing the rate as the income is larger. The Democratic, the Progressive, the Socialist, and the Prohibition Parties are committed to an income tax by their platforms. These parties together received 11,519,939 votes in 1912, or over 76 per cent of the total vote cast. The Republican Party alone omitted to mention the income tax in its platform. Its history commits it to the high protective-tariff theory. The Morrill, the McKinley, the Dingley, and the Payne-Aldrich Tariff Acts would drown the voice of any Republican and contradict any plank in the party's platform which would hint at the possibility of the immense incomes of the country supplying the place of a tariff tax taken from the food and clothing of the people. We congratulate it in its consistency in standing by the protective-tariff act, which is its own handiwork, and in refusing to indorse or even mention the income tax, demanded by over 76 per cent of the voters.

We expect the Republican Party to vote against this bill. There is no reason why a party which passed the existing revenue law, which indorsed it at the last election, and which failed to take any notice of the strong sentiment favoring an income tax should support our bill. But we do insist that those who vote against it upon the alleged ground that the free list is too extensive, and that the protected interests of the country can not stand the reductions made, take the risk of sorely disappointing over three-fourths of the American voters, who will demand more than a mere excuse for putting the graft of an unreasonable tax above the forward step of an income tax. The Democrats are willing to take all the honor of inaugurating an income tax. If those representing the other parties which have indorsed this reform are content to spend the rest of their lives in explaining why their names and their party's standards shall not be mentioned in history among the supporters of the first income-tax law, which no court can set aside, then we are content. If it be the wish of the minority in the Senate that there shall be added to our cup, now overflowing with the confidence of the people, the unexpected glory of not being compelled to share the honors of passing an income tax, then indeed we are blessed even beyond our deserts.

We are also criticized here because we as a party have been long considering the tariff and have given many weeks of close consideration to the bill now pending in a conference or caucus, whichever it may please our opponents to call it. The usual arguments against caucus government do not apply to the present situation. That argument can not be potential in a situation like that which confronts the Democratic Party now, until there be some way devised by which political pledges can be made in the concrete or until on every vote each Representative in Congress can be held directly responsible to the details of the popular will as expressed at the next preceding election. A majority of the Senators on this side of the Chamber were elected prior to the election of 1912, and while every member of the Democratic Party feels bound by the platform pledges of that year, still the very nature of the subject would leave some room for honest minds to differ upon the details of the various schedules of any bill that might be proposed. That the party is pledged to revise the tariff downward no one disputes. That we adhere to the doctrine of a revenue tariff no one worthy of the name Democrat would deny. That the history of the Baltimore convention and the campaign which followed commits every Democratic Senator and Representative to fight to substitute something better for the Payne-Aldrich bill is so plain that it occurs to anyone as self-evident that had the contrary been threatened by anyone during the campaign he would have been hissed from the platform and denounced by the party. Every one thoroughly understands that the Napoleonic tactics of dividing the stronger enemy is the only possible plan by which the Democratic program can be thwarted. With a clear majority of six in this body, the people of this country expected the Democratic Party to confer together and agree upon a bill which would substantially carry out the Democratic program, and then stand by the bill as interpreted by the combined judgment of the party as represented here. No one, two, or three sections of the country as represented in the Democratic Party in Congress could pass a tariff bill. It requires the united strength of the whole party to do so, and there is no way to get the united strength of the party except through and by a conference or caucus.

Our promises made at Baltimore were made by delegates representing every State in the Union. That convention did not differ from a conference or caucus except in size. It was in a sense an open caucus. Having made the pledges in a convention, there is no reason why they should not be interpreted in a similar convention of those charged with the duty of carrying out those pledges. Whether the Democratic meetings here be called conventions, conferences, or caucuses, the purpose of them is to interpret the Democratic platform and convert that inter-

pretation into law, and that this course would be pursued was the understanding of almost every voter who cast his ballot for Mr. Wilson. I often heard it charged during the campaign by those who supposed that the high protective theory still lived that individual and local interests would be subordinated to the action of the Democratic Party in caucus—a charge which I never denied. In the campaign the tariff was made a party issue, and it is too late for us to consider whether that was wise or expedient. The tariff was then and is now a party issue, and if there be a Democratic Party it must have a bill that stands for the party. In other words, it must be a party bill. We would have been subjected to ridicule and charged with bad faith had we not organized the Democratic Party here in the Senate, and, after composing any differences in detail, presented to the Senate a measure which is the party's interpretation of the platform upon which we staked our principal fight. This is the only practical course by which we can redeem the pledges made by the party and to be kept by the party. We shall therefore not be frightened by the continual reference on this floor to the fact that this bill was agreed upon in caucus. For every Democratic Member to meet in caucus to redeem the party pledges, and for each to decline to interpose any excuse to relieve him from the promises made by his party to his people, is a long step in the direction of progress and is a most wholesome sign that the people have a pretty good hold upon their Government. The most that can be said of the caucus charge is that every member of the Democratic Party in this Senate is not only willing but anxious to adopt a practical course by which the doctrine of responsibility to the people shall be a fixed principle of representative government. To let the people understand that there is a way by which the majority party can make good its platform pledges will outweigh any supposed unpopularity of the word "*caucus.*" The people will readily distinguish between a caucus gotten up to dodge a promise and one whose purpose is to keep a promise. After all, the bill must speak for itself. If this bill does not square with our party pledges, it can be easily shown, and we are ready to take the responsibility.

The Democratic Party may now well profit by those instances in history when the dominant party failed to hold a party caucus in order to thrash out any differences as to detail. The Wilson-Gorman bill was passed in the Senate without any Democratic agreement. The Republicans got busy and emasculated it, and the 16 years of our party's wandering in the wilderness ought to impress upon us the lesson that such a precedent is not a safe one to follow. The Payne-Aldrich bill was passed without a party caucus by the majority party. As to whether or not the precedent has anything to invite us I will point to the empty seats upon the other side, to the 23 per cent of the total vote cast for Taft, to the eight votes for him in the electoral college, to the political complexion of the House of Representatives now and at the last session, and to the politics of the man in the White House. If the Democratic Party should be tempted to adopt the Republican plan of passing a tariff bill, I beg of them to take a look at that party now and be thoroughly reconciled to the plan which we have adopted at this session.

The attempt to hold up the President as a dictator in this legislation will neither frighten us nor will it find any lodgment except among those who want his administration to represent the last effort of the people to free themselves from a system of unequal taxation, which in the supreme test of 1912 was wanted by only 23 per cent of the voters of the country. What has the President done? He has delivered one message to Congress upon the tariff. It seems that that message has inspired terror in the minds of those who had capitalized for all future time, as they supposed, the right to tax the consumer, and that the defenders of the old system have imagined that the President, who wants to cancel a mortgage upon the brains, muscle, genius, and opportunity of the country, has been guilty of the same things which were necessary to be done in order to create the mortgage. They must not deceive themselves that in order to get rid of the Payne-Aldrich tariff bill it has been necessary to do those things by means of some of which that bill was passed. It is not surprising that the great trusts of the country should become nervous after reading the election returns. When the country saw a President of the people promptly call Congress together to carry out the mandate of the election, and read the patriotic, clear message which called upon the representatives of the people to keep the faith, of course there was alarm among those who lived in the tariff blockhouses and, in the language of the senior Senator from Mississippi, "walked upon stilts."

The message of the President was not an appeal to prejudice, nor to selfishness. It was a patriotic call to righteousness in government, to strict accountability, and a high standard of responsibility in our representative system. It breathed the honesty of Cromwell and the stubborn courage of Jackson. No one could hear it or read it without a deep conviction that the President proposed, so far as in him lay, that government should be a most serious business, and that platforms looked to him after the election exactly as they did before. Does it seem strange to any school of politics in this country that we have a President who takes seriously the stump speakers and the leaders who during the campaign pledged the party's faith that if successful its President would see to it that the pledges of the platform would be sacredly fulfilled? That was the war-cry which nominated Mr. Wilson, which inspired the party during the election, and which was repeated upon every platform; and there is everything in the President's public life and addresses to carry home the conviction that he is the man who would do that very thing.

But he has not tried to influence Congress improperly. No one will dare to make such a charge. Let us be fair and perfectly frank with each other in discussing this matter. Jefferson, Jackson, Lincoln, Grant, Cleveland, McKinley, Roosevelt, Taft, and other Presidents kept in close touch with legislation and were freely consulted by party leaders in Congress, and they advised for or against legislation. Former Presidents have sent many special messages to Congress while legislation was pending. President Wilson has sent but one upon the tariff. The consternation which this message has stirred up is its highest compliment. Æsop's fable is in point. The fox nagged the lioness because the latter gave birth to but one offspring, whereas the fox gave birth to many. The answer of the lioness was, "Unum sed leonem," a liberal translation of which is "I give birth to but one, but it is a lion." President Wilson has given Congress but one message on the tariff, but it is a message. It justly excites those who thought that he might not have been in earnest. It is not a new thing for a President of the United States to have decided views upon public questions nor to express those views both publicly and privately. No one can point to an unconstitutional act of the President.

The only difference between the situation now and that which confronted some Congresses which have heretofore assembled is that the present President is known to be a man of learning who has devoted the best part of his life to the study of political economy, the history of his country, and the genius of its institutions. It is further known that he is a man of force, who is willing to take responsibility, and his advice and counsel would probably be more potent with an intelligent Congress, as it assuredly has been with the people, than were the advice and counsel of some Presidents who have preceded him. Certainly no one will blame him for taking the position that he will not, in the face of the promise to revise the tariff downward, sign a bill which does the reverse and then proclaim it as the best bill ever passed by Congress. Assuredly he can not be blamed for asking the Democratic Party to be true to itself and honest with the people. Whatever promises have been made by the party he is responsible for, just as much as is the Congress. It is not alone the party's promise; it is the pledge of every legislative and executive candidate elected. Is there anything strange that the joint obligor to the people of the United States shall ask and insist that his coobligor shall not default? And are we, the coobligor, to be amazed that our partner in the contract with the people asks us not to repudiate our obligation? I deny that the President has forced or attempted to force anything upon this Congress or has attempted to hamper any Senator or Representative in the discharge of his duties. He has used no power upon Congress except the moral force of an earnest man impressed with his responsibility. The people of the country understand the difference between a boss and a leader. This does not consist alone in difference in methods. They differ in methods and their sources of power and in their differentiation of self-imposed limitations upon the use of power. Neither politics nor statesmanship is more of an exact science than is personality or human nature. After all, the people alone are the judges of official conduct, and upon their judgment will depend the solution of the question whether or not a President is a boss or a leader. The boss and the leader are as old as civilization. The boss acquires power in any way possible and uses it for time-serving purposes, whether such purposes be patriotic or not. The leader acquires power by moral force and by appeals to reason and to patriotism. He uses that power for the public good as pledged and construed by the party or movement which votes for him.

While the President is the natural and elected leader of the Democratic Party in the great movement in which the party is now engaged, there has been no attempt by him to set aside the other leaders of the party nor to minimize the rights or prestige of those leaders. This Senate has followed the leadership of its Finance Committee, and that committee has taken the advice,

after full opportunity to be heard, of every member of the Democratic Party, and upon that party rests the responsibility of government at the present time. The President is not dictating to the Finance Committee nor to the Democratic Members of the Senate. He has taken an interest in the legislation which, when completed, will represent a covenant performed or broken. What we promised, President Wilson promised. What we do, he must approve before it becomes a law, and he must execute it afterwards. He would therefore fall very short of his responsibilities if he failed to take his place among the leaders of the Democratic Party in both the House and Senate and help the party to steer its ship—if I may use the same figure as that of the Senator from Iowa—not only past the Scylla of high protection, but past the Charybdis of agnosticism, panic, fear, uncertainty, and indecision upon the other side. We have no fears that the people will be deceived by the situation here. The last effort at tariff reform in this country brought forth the statement from the great Dolliver that the year in which that effort was made, to wit, the year 1909, would be made historical as the year in which there was a revision of the tariff downward, and the discovery of the North Pole by Dr. Cook. The President naturally uses every legitimate argument and influence to the end that some new Bull Moose Dolliver may not have grounds to assert humorously and sarcastically that the year 1913 occupied a greater page in history as the one in which the Democratic Party revised the tariff downward and Dr. Friedman gave to America a genuine tuberculosis cure, or in which Huerta restored representative government in Mexico. The President can not help it, if his party's promises should involve erroneous principles, but he objects that it should be unfaithful or ridiculous.

The Republican Party in 1909 needed what the Democratic Party has now—a leader who knows the people and who has no strings upon his pledges to serve them; who is impressed with their earnestness and in sympathy with their needs; who is sure enough of himself and his party to be human and practical in framing constructive legislation; who does not fear to work in a proper and legitimate way with the other leaders of the party in framing measures demanded in order to carry out the solemn compact made with the people by all of the legislative and executive nominees of the party. The whole party is now practically united upon a program of principles, but two of our number feeling constrained to dissent from our interpretation of the party's pledges.

Our friends on the other side profess to feel sure that we are mistaken and that our bill will bring disaster. They prophesied that even the threat to pass the bill would cause a panic. This last prediction might have come true if the country had not been fortunate enough to have an administration that took a different view of the duty of executive officers from that possibly supposed by some who made these predictions. There have been times when the gamblers in stocks and currency had only to show signs of a drunken pain in order to bring the Secretary of the Treasury to New York with the Government's millions. By depositing twenty-five to fifty millions in a very few banks the patient would sit up and take nourishment. Very soon he could move about sufficiently to annex a few more banks and trust companies and to absorb one or two dangerous industrial rivals, and then the patient would be discharged as restored, and the country would be asked to thank the patient without a word for the people's money that financed the cure and paid for the property that changed hands. It then paid to become financially ill in upper financial circles. The people now have a much firmer grip upon their Government. Financial pains now beckon the Treasury doctor to the people, not to Wall Street. The credits of the Nation, its ever-abundant cash, and its unparalleled influence are now assets of the Nation to relieve legitimate business in the small cities and towns which can not keep in touch with the stock ticker, and which do not feel like paying the penalty for mistakes in high finance and are not called upon to pay the high cost of artificial depression. The new freedom is in truth and in fact the possession of all the people, and their Government is a living example of it.

What has been done to free the executive department from private control and to make it a serviceable agency, under the law, for the public good we offer as a guaranty that the law which we propose will free business and will standardize the industries of the country upon the energies and genius of the people. Business ought to know by this time that it can not have a permanent status upon a high protective tariff basis. For the same reason that the people of a city will agitate against a well-recognized graft or special privilege to a few, the people of this country will never submit to a revenue system which is a tax in name but which gives the Government the smallest part of the tax and private interests the largest share. Till the public conscience becomes seared and our citizenship ready to deceive itself with the mere name of public purpose as the justification for a tax upon consumption a high protective tariff must face attack at every election. There can be no industrial peace, no business stability till our tariff laws are framed upon the principle that any tariff tax is a burden upon all the consumers and must be justified upon the same reason as is any other tax. When our tariff policy shall become fixed and settled so that business can plan a long time ahead it will not be upon a high protective basis.

The opposition to this bill practically admits that it has not sufficient votes in the Senate to amend the bill and can not defeat it upon the final vote. We feel sure that they are correct in this opinion, and they are therefore responsible to the country for any further delays in the passage of the bill.

If business shall be held up, then the Democratic Party can very properly say that it has prepared a revenue measure, is ready to pass it, has the votes to pass it, and would pass it at once but for the fact that the country has not yet taken the progressive step which will force the Senate of the United States to so modify its rules as to bring debate in the Senate to an end at some time. My only consolation for this delay is that it will impress the country with the importance of forcing the Senate to amend its old, tiresome rules so that a majority can transact business.

We thoroughly understand that there are Members of this body who will feel a little nervous in saying to the country that they prefer the Payne-Aldrich tariff bill to the present one. We know that their discomfiture will not be relieved by the contemplation that the pending bill carries an income-tax provision, which guarantees to lift from the burdens of the people a large part of taxation and put that burden where it properly belongs. If they want to vote to retain the present law and against an income tax, they can do so, but they may well remember the votes by which the one was condemned and the other approved.

The Democratic Party is ready and willing to go to the country upon the proposition that its theory of the tariff is right and that the Republican theory is wrong. It is also ready and willing to have the country decide whether or not its income-tax measure is sound. It is likewise anxious that the Senate of the United States may go upon record to pass or defeat the measure. The country understands that the party that supports a high protective tariff, as announced by the Payne-Aldrich bill, has gained its last victory in many years. If the Democratic Party has any serious opposition in the near future, it will come from the Progressive Party or from some party with more moderate views than the Republican Party upon the tariff question. The Republican Party can not be brought to life again by protracting the debate upon this bill. The new Progressive Party is pressing forward for a hearing. It has burned its bridges behind and has its bayonets fixed for the charge, and the reactionaries can not drive it back to the rule of the few. It will not permit the Republicans to furnish the committeemen while the Progressives provide the votes. The Democracy understands that its campaign of education has been thorough and that a Progressive is only an overeducated Democrat, long on leadership and short on the Constitution, but nevertheless its chief antagonist is no longer the Republican Party.

Confident that this bill represents an effort made in good faith to redeem its pledges to the people; that it is on the right track; that it will bring relief; that it will help the consumer; that it will not injure legitimate business; that it will equalize tax burdens; that it will give opportunity to those now browbeaten and held down by combinations that have monopolized most of the resources of the country and the avenues of distribution in most of the walks of life, the Democratic Party awaits the issue here with composure and welcomes an appeal to the country with confidence.

Mr. WARREN obtained the floor.

Mr. WILLIAMS. Mr. President——

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

Mr. WARREN. I do.

Mr. WILLIAMS. On Saturday, by inadvertence, I neglected to offer an amendment which I offer now. In line 6, on page 171, I move to strike out the period and insert a comma and to add the language which I send to the desk.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. On page 171, line 6, after the word "thereof," insert:

Except when such compensation is paid by the United States Government.

Mr. WILLIAMS. I will explain to the Senate that it has been a mooted point for a long time as to whether a United

States Senator is a United States officer or a State officer, and it was thought by some that if the exemption of State officers remained in the bill without this qualification all Senators' salaries might escape taxation under the income tax.

Mr. WARREN. Does the Senator wish a vote on the amendment now or to let it lie over?

Mr. WILLIAMS. I wish it passed now.

Mr. WARREN. Very well.

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

The amendment was agreed to.

Mr. WARREN. Mr. President, it would be an ungenerous foe indeed who could not congratulate his adversary on his winning. I believe I can say that the thoroughbreds of all parties, whatever their name, will respond to the cry, "To the victors belong the spoils." Of course, it is perfectly evident now whom the victor is to be. The spoils will naturally follow.

I congratulate my friend from West Virginia [Mr. CHILTON] upon the pleasure he has had while explaining how his President was elected by the minority, and the Democratic Representatives and Senators likewise. So it has happened before. The Senator says it is not a confirmed evil. I admit that. However, that does not change the fact. I am willing to accept the amendment as well made.

I observed as the Senator was proceeding with his speech he was somewhat guarded when he spoke of protection. He always spoke of it as high protection. But I think it is as well now, when we are to vote on this measure and when it is to go to the country, that the country should know just what it means. The fact is it means either protection is to end and we are to have absolute free trade or there will be some other bill that will pass in place of this measure in the not distant future.

I also observed that the Senator in his explanation of his party's accession to power challenged a statement that I made to the Senate that the Republican and Progressive Parties favored protection in their national platforms of last year. The Senator quoted part, claiming it was all of the Progressive platform on the tariff, in assailing my statement, but he failed to quote that item in the platform which reads:

> We believe in a protective tariff which shall equalize conditions of competition between the United States and foreign countries, both for the farmer and the manufacturer, and which shall maintain for labor an adequate standard.

Had the Senator quoted this portion which I now quote and which I quoted before of the Progressive platform he would have refuted his own argument.

The Senator has been a little sarcastic about the divisions in the Republican Party. I would be the same if I were in his place. We regret it on our side, but we have had the advantages of differences on the other side in times past. They have been rather radical sometimes in the last 20 years, and I have no doubt those differences will appear again. If I am not very much mistaken, from the echoes we get out of the dark places where the caucus holds sway there are some progressive speeches. There are some progressive individuals in all caucuses and probably among members of the present dominant party. I do not wish them any harm. There can not probably anything worse happen to them than what has happened to us. It is all in the day's work.

Mr. President, I had not expected to take any further time, as the Senate has been generous enough to listen to me on two or three previous occasions, but I have been a patient listener, aside from the two or three times when I ventured upon the attention of the Senate. However, I want to state what my view is in short terms as to what this bill means and what the Senators on the other side expect it to lead to.

HOW WYOMING WILL FARE.

So far as the State of Wyoming, which I have the honor in part to represent, is concerned, it means absolute free trade from the first. Every item that my State produces for the market is to be sold in the market of the world with no benefits of protection while the producers of those items must buy their items in the protected market.

As the debate has progressed and the Senate amendments, both original and those offered from time to time, have been adopted, it has been perfectly apparent to me.

First. That the State of Wyoming is left high and dry on the rocks so far as protection is concerned, although she must buy largely in a fully or partially protected market.

Second. If I can judge, however, from what has been said in debate by the proponents of this bill, it will be but a short time before manufacturers and others who are now left partially protected will find themselves sliding down the toboggan rapidly to a final and absolute free-trade basis.

Third. That the socialistic idea of taking away from those who have and distributing among those who have not is the final goal toward which we are drifting.

Our markets for agricultural and manufactured products are to be opened up to the world and our supplies are to come largely from outside our own lines until wages in this country can be reduced to the level or below that of our foreign neighbors.

Already every product of Wyoming which that Commonwealth has to offer for sale—coal, cattle, sheep, meats, wool, hides, grain, and so forth—has been stripped of every scrap and atom of protection.

It seems that a jackscrew is being used to let down the manufacturers, but a battering ram is to be in play to reduce the farmer.

The public ought to know that it seems abundantly apparent from the bill itself and the arguments adduced that absolute free trade in all lines is the goal to which our friends the enemy, politically speaking, are drifting.

FIRST STEP TOWARD FREE TRADE.

This bill measures only the first step in the Democratic advance toward free trade. It is the initial triumph of the theorist in the school of political economy. It is the experimental, uncertain, incongruous, and dizzy conglomeration of the cubist delineator of a revenue producer. It is the partial realization of the dream of the political college professor. It does not represent the fulfillment of Democratic prophecy. It it but an index of that prophecy; the outline of a hope; the partial response to a prayer. It is but an experimental dose. Others are to follow if the patient survives. The deadly narcotic warranted to put to sleep any American industry is the brew of many witches in dark and secret conclave—otherwise the Democratic caucus. There is poison enough to go around. There are ingredients enough in the caldron for everything that resembles a protected industry.

The bill is but an index of the purpose of the Democratic Party to eventually wipe out the last vestige of protection. It does not represent the last word in Democratic tariff tinkering. It is the party's foreword; its epilogue to the tragedy. It is a mild and gentle curtain raiser to steady the nerves of the audience for what is to come after. From it and the program of the party's play we can judge but little of what is to follow. If the same players are to hold the stage and the great audience is to patiently sit out the performance, we may well conclude the final act will be a dark one.

This bill is the first assault upon the citadel of protection. The leaders of the Democratic hosts declare it to be such. It is but a slight lowering of the tariff wall, to use the language of the party's herald. It is but a partial, a gradual, an easy letting down of the masonry.

The distinguished military engineer of tariff reform at another place in the Capitol declares that in order to not harm American industries too much, in order that thousands of workers and laborers employed inside the walls may not be hurt, the Democratic Party has endeavored to lower the tariff wall with a jackscrew, since it was not commissioned to use an ax.

I must admit that picture of the lowering of a wall with a jackscrew is picturesque at least, and I have approached it from many angles.

If the Democratic House of Representatives, following the lead of the Democratic caucus that followed the lead of the Democratic Committee on Ways and Means that followed the dictation of a Democratic President, has given us an illustration of the lowering of a tariff wall with a jackscrew, then the Democratic Senate of the United States has grossly assaulted the ramparts with a battering ram.

It has at least made holes in the wall that an ax, even in the hands of the distinguished chairman, Mr. UNDERWOOD, could never have produced. The difference between the execution in the House and the Senate is pretty well outlined in a speech of one of the junior Members of this body, but who for many years has been an acknowledged party leader. That distinguished Senator in a spirit of triumphal accomplishment said, and I quote his exact words:

> (Senator HOKE SMITH in an address before the Georgia Legislature July 18, 1913. See S. Doc. 137, 63d Cong., 1st sess.)
>
> For the first time in 50 years legislation intended to take the burdens off the masses of the people has found no resistance in the Democratic Senate. It must be conceded by all that the Senate Democrats have made the tariff bill more Democratic than it was when it reached the Senate.
>
> The House Democrats put flour upon the free list, but taxed wheat. The Senate Democrats put both upon the free list.
>
> The House Democrats put meat upon the free list, but taxed cattle. The Senate Democrats put meat and cattle both upon the free list.

The House Democrats left a tax of 25 per cent upon cheap woolen blankets. The Democrats of the Senate put them upon the free list.

The House taxed wool of the Angora goat and alpaca. The Senate Democrats put them on the free list.

The House Democrats taxed flax and hemp. The Senate Democrats put them upon the free list. * * *

The Senator was extremely modest in his summary of Democratic achievement in the Senate along the line of making this bill "more Democratic than it was when it reached the Senate." He might have named at least fourscore and ten other articles upon which the House fixed what it styles a "competitive tariff" and the rates on which have been either wholly stripped off by the Senate or reduced below the temperature necessary for their life.

Truly, if the House used a jackscrew the Senate has employed a battering ram. But whether the House bill or the Senate bill or a modified conference bill is to measure this first step of the Democratic Party matters little; for it must be borne in mind it is but a first step. Others are to be taken until at least the body politic has reached the Democratic purgatory of strictly a revenue tariff, or, worse still, the bottomless pit of free trade.

Every declaration made by the party leaders since its victory in November, 1912, proves that the present bill does not measure the party's full purpose. The leaders declare the goal must be reached by degrees.

In his message personally delivered to Congress, called in extraordinary session by him to revise the tariff, President Wilson said:

We must abolish everything that bears even the semblance of privilege or of any kind of artificial advantage. * * *

It would be unwise to move toward this end headlong, with reckless haste, or with strokes that cut at the very roots of what has grown up amongst us by long process and at our own invitation. It does not alter a thing to upset it and break it and deprive it of a chance to change. It destroys it. We must make changes in our fiscal laws, in our fiscal system, whose object is development, a more free and wholesome development, not revolution or upset or confusion.

In dealing with the tariff the method by which this may be done will be a matter of judgment exercised item by item. To some not accustomed to the excitements and responsibilities of greater freedom our methods may in some respects and at some points seem heroic, but remedies may be heroic and yet be remedies.

PRESIDENT OPPOSED TO PROTECTION.

In the words "It would be unwise to move toward this end headlong, with reckless haste," and in the words that follow, the President clearly outlines the purpose of his party to proceed ultimately to the goal of free trade or a revenue tariff, which in the end is the same.

The President of the United States is now and has always been unalterably opposed to the policy of protection. When asked upon one occasion if he advocated the repeal of all tariff laws, he replied:

Of all protective-tariff laws, of the establishing a tariff for revenue merely. It seems to me very absurd to maintain that we shall have free trade between different portions of this country and at the same time shut ourselves out from free communication with other producing countries of the world.

So far, then, as this bill and the President of the United States are concerned, it is but an entering wedge. The President regards it as but a single step in the direction of his cherished goal.

Mr. UNDERWOOD, chairman of the Committee on Ways and Means, and whose name will forever be linked with the measure, in presenting the bill with the committee's report to the House on April 23, 1913, said:

The Democratic Party stands for a tariff for revenue only, with the emphasis upon the world "only." [Applause on the Democratic side.] We do not propose to tax one man for the benefit of another, except for the necessary revenue that we must raise to administer this Government economically. Then, how do we arrive at a basis in writing a revenue tariff bill? We adopt the competitive theory.

We have not been able to wipe out all the favoritism that you [Republicans] have engrafted in these bills, because a great many of the industries in the United States have been built up on the rotten foundation that you placed under them. Too great harm would result to industries, to the thousands of workers and laborers employed therein, were we suddenly to destroy these foundations. So far as it was practicable to do so without working an absolute injustice to the American consumer, we have endeavored to lower the tariff wall with a jackscrew, since it was not our commission to lower it with an ax.

I see myself guilty of incorporating that "jackscrew" picture again, but it will bear repetition, and possibly I may be the only person so dense as to be unable to perceive the easy process of lowering foundations with a single "jackscrew."

That the picture of just what was being accomplished did not meet the estimate of at least one Democrat is manifest from later proceedings. At most, he did not adopt the "jackscrew" theory.

The second member of the Committee on Ways and Means from Mr. UNDERWOOD declares the party's purpose in plain terms (RECORD, p. 536). He says:

We can not reform all the evils for which high protective tariffs are responsible in a day. We do not promise at the outset to accomplish in a year all the reforms the people of the country are demanding, but we do claim that in the bill we are presenting now we are taking a long step in the right direction.

As to the agencies that are being used to accomplish its initial purpose, he says in the same speech:

We recognize that wool is the keystone in the arch of protection. With all the force of a mighty party, with all the impact made possible by 20 years or more of waiting, we have kicked the keystone from the arch, and the arch is already commencing to crumble.

And again there was applause on the Democratic side.

The speech closed with a prophetic vision of the time when absolute free trade would exist between the nations of the world.

There is no suggestion of a mild and easy "jackscrew" in this last picture. The whole Democratic Party, with all the force of its leg muscles, bent up for 20 years awaiting the opportunity, with its mighty feet incased in 4-ply cowhide, from which the tariff is being removed, the awful assault is being made along the line. The keystone has been kicked from the arch "and the arch is already commencing to crumble."

That, Mr. President, is a picture that my dull comprehension can the easier imagine.

Every member of the majority of the great Ways and Means Committee attested and acknowledged the restraining influence of the party caucus. Every one declared the bill to be but a partial fulfillment of the party's program. Each owned up that it was not near enough a revenue measure to please him; that it did not go so far as it would have gone had he been given the individual task of drawing the measure.

Possibly the personal view of a Democratic Member from Pennsylvania, not a member of the Ways and Means Committee, goes as far in outlining the situation—the party's purpose—and in indicating future action as any other. He spoke on April 26 last as follows:

Mr. Chairman, even the distinguished chairman of the committee which drew the measure now under consideration does not claim it to be a perfect one. It falls far short even of his ideal. It is in large part a compromise of conflicting elements, and in certain details it is sadly disappointing, especially to those who had hoped that in a Democratic tariff no vestige of privilege or favoritism would be found.

But faulty as the measure may be in particular items, far as it falls short of perfection, sadly as it may lack in consistency, it is still a long step in the right direction. It has merits so surpassing that its shortcomings are almost neighbors. It goes so long a way toward the redemption of Democratic promises and the fulfillment of popular expectation that even the free trader, like myself, may applaud it with sincerity and vote for it without stultification.

Had I been writing it, items which now find a place in the dutiable list would certainly have been dropped therefrom. In a score, or perhaps a hundred, instances duties which seem to me excessive and indefensible upon any revenue ground would have been brought lower if not eliminated.

In this Underwood tariff we find an achievement along Democratic lines which may well appeal to Democrats of all shades and all persuasions. It so splendidly enlarges the free list that we may forgive its errors in the direction of according privileges to special interests. * * * Not since the Walker tariff bill of 1846 have we had one drawn so nearly in harmony with the revenue idea.

"Sadly disappointing, especially to those who had hoped that in a Democratic tariff no vestige of privilege or favoritism would be found."

At the time those words were uttered the Member had no means of knowing what the Senate Democrats were going to do with the bill. To-day he is probably not so sadly disappointed, and he has far more opportunity to discover how privileged products in certain localities can be played as favorites.

From speeches made by men in another place, not far distant from this Chamber, it would be easy to show without any possibility of contradiction that the bill now about to pass is not the full measure of Democratic hope or expectation.

The American manufacturer, the American farmer, and the American artisan who was fooled last fall, whose attention was distracted for the time from the real issue—possibly some of whom gave their votes for the Democratic electors under specious promises that the party was to reduce the cost of living, level wealth, and right every wrong—should now begin to realize what is before them. They should realize that the bill now being enacted into law is but a single step in the direction of free trade. They should know that after they have whetted their wits "against the wits of the rest of the world" under its working, and until their poor wits are tired, they are later to come up against the real thing, where the whetting of wits must be practiced as a science and under conditions that will test not only the wits but the patience and endurance of the strongest of men.

Before passing entirely from the subject it will be well to place some Senators in our galaxy of witnesses as to the purpose and mission of the party in power. The RECORD is replete with declarations.

SENATORS PROCEEDING TOWARD FREE TRADE.

The Senator from North Carolina [Mr. SIMMONS], chairman of the Committee on Finance, has repeatedly asserted the purpose of the party in the majority to proceed along the line of tariff revision until the goal of a revenue tariff is reached. It is his contention, as well as the contention of all party leaders upon that side, that the avowed policy of a tariff for revenue only was indorsed by the people in November, 1912. The only question is as to just how fast the goal shall be approached.

The Senator from Georgia [Mr. SMITH], a most potential Member in this body, has on divers occasions given emphasis to the party's purpose to frame a tariff bill upon the revenue basis. In addressing himself to the agricultural schedule, and especially to the rates upon machinery, he said:

We have cut the rate one-half. I hope it will be cut again before a great while. I hope that we will really bring the entire tariff to a revenue basis in the course of time. But I think we have gone as far as we could in this bill now.

In some of these duties we have left we have recognized existing conditions. I speak for my own mental operation in approving them. I have recognized existing conditions. I have felt that we could not afford to go as far as I would like to see the law go lest serious injury would affect those industries, in view of the position they have occupied in the past.

Later on in the same discussion the Senator used these words:

I believe it will help industries to take them out of the hothouse. You can not take a plant out of a hothouse instantly and put it where it is exposed to the weather. You must do it by degrees. What I meant when I said I hoped for progress, and what I meant when I said in this bill I had voted for duties higher than those I wished, was to consider them as a hothouse plant—a plant that ought to have been out in the sunlight—but has been hothoused. We have not put them out completely, but we have put them out a good part of the way, and we expect them to grow and flourish. I earnestly hope for the prosperity of every industry in the United States.

Mr. GALLINGER. Do I understand the Senator to say, representing himself, if not his party, that he believes the Democratic Party is to get entirely rid of tariff duties?

Mr. SMITH of Georgia. I have not undertaken to speak for the Democratic Party at all.

Mr. GALLINGER. Speaking for the Senator himself?

Mr. SMITH of Georgia. I expressed the hope.

And later still he said:

This bill expresses my view of what should be done now to a large extent, but not on every item. I could not hope to see a tariff bill that met in every item what I believe in; and if I worked out one by myself and then thought of it for 30 days longer, I do not believe every item would be what I approved. But, take it as a whole, I believe in it, and I think we have gone as far as we could.

Mr. GALLINGER. What attracted my attention particularly—and the Senator is not the only Senator who has made the suggestion; my amiable colleague [Mr. HOLLIS] made it the other day—was that this is the first step, and that the Democratic Party intend to proceed along *the same highway* until they accomplish more than is accomplished in this bill, I was wondering how rapidly our Democratic friends intended to go in the direction of free trade.

Mr. SMITH of Georgia. Mr. President, it is impossible for us to tell the Senator that. I have illustrated the rapidity with which I wish to go. It would depend upon the rapidity with which certain progress is made. I believe progress will be made. I have the confidence that it will be made.

The senior Senator from Mississippi [Mr. WILLIAMS], who has had so much to do with the handling of the bill upon the floor, has frequently given evidence that the measure is not the last word in Democratic legislation to provide revenue, but that instead it is but a first step.

A little later still in the debate, after the senior Senator from Idaho [Mr. BORAH] had said:

If the Senator from Mississippi is entirely logical in his statement, it was the deliberate design, as I understand, of the framers of this bill to kill the wool industry.

The senior Senator from Mississippi replied:

The Senator's assumption, as far as wool is concerned, is not an assumption that is accepted by me. It may be that putting some product upon the free list in this bill will destroy the industry. If that be true, then as to that particular product we have simply traveled too fast and too quickly. I do not say every paragraph in the bill is perfect.

It would possibly be profitable to quote more liberally from the remarks of the Senator from Mississippi, but the words already quoted, and that seem to be generally accepted as gospel upon that side, are sufficient to show the purpose of the Democrats of the Senate is not unlike that of the Democrats of the House, to place the tariff upon a revenue basis—not so soon as the country may be able to stand it, but so soon as the Democratic Party believes the time is ripe and conceives it has a further mission to perform.

Before quitting this branch of testimony I desire to add a single quotation from one of the younger Senators, who seems to have caught the infection—a New England Senator who seems to feel that New England manufacturing enterprises may to some extent be an evil in that they have attracted many young men to their pay rolls who might otherwise have followed the plow upon the farm. I quote from the junior Senator from New Hampshire [Mr. HOLLIS]. He says (RECORD, p. 3614):

In other words, we find that expediency and fair dealing block the way to an immediate resumption of a constitutional tariff, for we are confronted with the need of raising an enormous revenue and by a host of hopeless, hothoused abnormal industries, nourished by a highly protective tariff, and which would be utterly destroyed by the immediate withdrawal of all governmental pap. To this extent we are handicapped in establishing a tariff for revenue only.

In the same speech the Senator declared his belief that certain rates in the bill were too high, and named specifically those of the cotton schedule, and continued:

I believe we have fulfilled our promise of a material reduction and have approached as closely a revenue basis as we safely may upon present information.

Of course, I could quote many pages from other Democratic Senators, but I believe it will be generally conceded upon that side that if the party remains in power it is to proceed to place the tariff upon a purely revenue basis, or to so amend the income-tax provisions and create other means sufficient to raise all revenue, and plunge the country into absolute free trade.

In a colloquy with the junior Senator from Minnesota [Mr. CLAPP], and after the latter had suggested that sooner or later the Democratic Party must acknowledge the basic principle of protection or accept the tariff-for-revenue-only theory, the Senator from Mississippi [Mr. WILLIAMS] said:

Does not the Senator from Minnesota recognize the fact that it must be later, and materially later? In other words, does not the Senator from Minnesota recognize, as a man of common sense, that although every line of what he has said is right, and although it is absolutely indefensible to have a tax system under which a part of the profits of the tax goes into the private pockets of individuals, nevertheless, having found a false and artificial condition to be amended and to be cured, no man of common sense would undertake to cure and amend it overnight? In other words, if a man lived in an old house, a bad one, and wanted a new house, he would not blow up the old house with dynamite, regardless of the inhabitants in it, but would, little by little, build a new house in place of the old one.

Does the Senator recognize that even if the fight must ultimately come between free trade and protection—or protectionalism, as I prefer to call it—that fight can not come right now, and that it is absolutely impossible to have a logical principle running through a bill which is an amendment of the present existing heterogeneous fiscal laws of the United States? * * *

Any tariff bill must necessarily, confronted with the conditions with which we are now confronted, involve a certain degree of protection, and whether you call it protection for itself or protection incidentally makes no difference. Our duty, from our standpoint, is to make it involve just as little protection as we can.

Later in the same debate he said:

I, for one, have never said, and will not say, that this bill or any bill that we could draw up now—and everybody knows that I could not help saying that in ordinary frankness—that neither this bill nor any bill we could draw up now should—übernacht, as the Germans say—overnight, undertake to rush down a waterfall from one level to another; no bill could possibly be drawn up so as not to involve any protection at all. Therefore I have never said, and do not propose to say, that this bill is clear through, from beginning to end, a tariff for revenue only. All I have said is that it goes as far in that direction as we dare to go without—being confronted, as we are, with actual conditions—destroying men who have been put by the Government in a position where they must be ruined or else gradually permitted to come down. If a man is a hundred feet high, you can go up and let him down gradually, but if you go up and thereby pitch him down you will kill him.

Some statesmen will argue that, if this bill goes too far, if its effects are injurious, if it does not bring about the "new freedom" outlined and prophesied by President Wilson, the Democratic Party can retrace its steps. Oh, never! The Democratic Party never backs water. It will go to defeat before it will retreat. It will never acknowledge if ruin comes that it was the result of its policy. It will more readily determine that ruin was caused from the fact it did not proceed far enough in the direction of free trade. It exemplifies the truth of the old Latin couplet, "Facilis descensus Averni, sed retregradior dificile est." This, somewhat loosely and generously interpreted, means, "It is easy to go to hades, but it's hard getting back."

Everyone knows just how difficult it is going to be to connect Democratic tariff tinkering with ruination. The party began fortifying itself against such a contingency long before its bill was presented in the House of Representatives.

This bill measures only the length of the party's first step. With the thoughtful American citizen, and especially the producer and manufacturer, there must ever rest uncertainty as to when the next step is to be taken. It is not altogether pleasant to contemplate the possibility. While contemplating, however, it will be well to keep in mind the prophetic utterances of the junior Senator from New Hampshire:

Let these Senators remember that we are now taking merely a first step toward a revenue tariff. After we have seen the result of this first step we shall be in position to take a second. I very much fear that if we should make that first step so long that the cotton industry should receive a severe blow we might not be in a position politically to take the second step at an early date.

But even as a first step we have made a reduction on the whole cotton schedule * * * of 35 per cent. Two more steps like the first would leave the cotton industry of America entirely without protection.

We are going sled length in time. American industries and American workingmen have been put on notice, and they can arrange their houses accordingly. Again I repeat that this bill is but one step in the direction of Democracy's goal.

DEMOCRATIC IDEAS MEAN FREE TRADE.

But, Mr. President, as the game has gone on, it has waxed warmer and warmer day by day. As the senior Senators have declared their allegiance to their old doctrine, which had slept under the latter version for many years, they have taken off the mask and disclosed their ideas, which mean free trade and nothing more. It remained for one of the younger Senators, the honorable Senator from Texas [Mr. SHEPPARD], on the 4th day of this month, to speak as follows:

Mr. President, the Republican Party may thank the doctrine of protection for its dissolution. No party, no nation, no man or group of men may permanently defy the truth. The Republican Party has been repudiated because protection is an infamy, a curse, a crime. The party that indorses such a doctrine must die; the government that practices it must fall. There is as much justice in taxing one man to feed and clothe another as in taxing one man to support the business of another. I believe that protection has been the source of more corruption and more woe in this Republic than any other agency outside of alcohol. Cherishing such a belief, I am against protection, both direct and incidental. I am against it wherever its envenomed head is lifted, whether in my own State of Texas or in some other State. I shall never subscribe to the proposition that as long as protection exists in Massachusetts or in Pennsylvania it must be preserved in Texas, or that as long as protection is kept on one article it shall be retained on another. I can never consent to the idea that as long as another man is permitted to steal I propose to steal also. If I could not destroy protection in Massachusetts or in Pennsylvania now, that fact would not deter me from making every effort to destroy it in Texas now or wherever else I could strike it. In the name of the people of Texas I denounce protection as one of the giant evils of the time, and in their name I would do what I could to wrest unholy tariff privileges from the favored few in Texas without regard to whether I could immediately reach the pampered class elsewhere, and I would never arrest my efforts to eradicate this evil from every foot of American soil. Happily, sir, this bill represents a general assault on protection from one ocean to the other, and when enacted into law will so impair the foundations of this vicious system that its doom may be easily foretold. * * *

The Underwood-Simmons bill carries more relief from excessive taxation for the American people than any other tariff measure in the 56 years since 1857. It does not attempt an entire overthrow of the protective system at this time, the disease being so deeply seated that conservative treatment is required. * * *

And indeed, sir, the Democrats would have been more than human if they had been able to have adjusted the duty on every item among the 4,000 carried in this bill in such manner as to be proof against all objection. When it is remembered that the Democrats are not building a tariff system anew, but are compelled to begin the demolition of a high protective tariff that has been in operation for almost 50 years, and has become intimately interlinked with the vital parts of many industries, it is almost a miracle that they are able to present a bill making such progress in the right direction.

I am only bringing this matter up, Mr. President, at the present time so that those who choose to examine the doings of this last day may, as it were, have some index from which they may look back to discover what I have only in a cursory manner portrayed, and that is, that whatever is left of protection in this bill is left there because they dare not proceed further, and that the party which insists upon carrying this bill through and of declaring that protection, incidentally or otherwise, is a vice and a crime will surely, if left in control, proceed to the final end—absolute free trade.

HOW AND BY WHOM THE BILL WAS DRAWN.

The President of the United States has had a hand, a voice, and a potential influence in the shaping of this legislation.

Everyone admits the fact, although all are not agreed as to the extent and manner in which this influence has been exerted.

There has been a studied attempt on the part of some of those Senators and Members, most fearful and seemingly most self-responsible for the President's glory and fame, to minimize and circumscribe the extent of the President's influence in this regard.

Others, more frank and fearless, like the Senator from Colorado, have openly glorified in the President's interference with the legislative prerogatives, have set out the proposition that it is not only the right but that it is also the duty of the party's exalted chief to take a leading hand in the legislation that is to typify the policy of the dominant political party of which he is a member. All, as I say, have admitted this influence in framing, perfecting, and in the expected passing of the bill.

While thus acting, the President has taken unusual cognizance of any influence that might seem antagonistic to his own and the party's plans. Declarations were made from the White House that a hostile lobby was at work in Washington, and straightway plans were laid well calculated to frighten away from the Capitol anyone who might dare to appear, even for the purpose of making an ante-mortem protest over the extinction of his industry. The music has continued without much interruption since, and, with one Mulhall as the side attraction, has served for weeks to frighten away about everybody who might be opposed to the free-trade policy of running a great Government. There has appeared very little criticism during all this debate of those good emissaries, agents of foreign business houses, of importing houses in this country, and of the great sugar refineries who have been here in the interest of the administration's plans. These last have been angels of mercy, heralds of the "new freedom," and welcomed emissaries. All others have been wicked, hostile, pernicious agencies, and they have been frightened away.

While the bill was in the making its makers were in frequent conference with the White House. The bill rested there upon the Executive table; its sponsor pointed out the changes from day to day and reported to receive suggestions. Before it went to the party caucus of the House it received the "O. K." stamp of the President of the United States. It was baptized and christened before its real birth; it received the approval of the Chief Executive ahead of its introduction. Had the last parchment page been presented to the President upon the day the bill was presented to the Democratic caucus of the House of Representatives the President of the United States could have as easily and readily signed his name and given his approval.

Cover up the facts as best they may, shroud in mystery the White House conference as adroitly as they can, minimize the presidential influence and power as skillfully as skillful men are capable of, there is no gainsaying the fact that this is an administration measure we are about to enact into law, framed in full accord with administration plans, and having the power of the administration behind it. Some evidences of one way in which that power has been exerted—or, possibly I should say, may possibly have been exerted—is drawn by inference from reading the earlier pages of the Executive Journals of the Senate for the present session of Congress.

It is the first time in the history of the United States we have a tariff bill drawn by the representatives of a small minority of the people and by men representing a small fraction of the real diversified industries of the United States. The bill is drawn, championed, and will be passed chiefly through the overpowering influence of our good friends from the "Sunny South." I do not speak of this to reflect unkindly or unjustly upon any portion of the country. I refer to the subject simply that historical justice may rest where it belongs. Perhaps every Democrat in this body is pleased with the bill as a whole, although no single member of the party is pleased with all of its features. Every Democratic leader who has addressed the Senate has proclaimed the party's satisfaction and a willingness to accept the responsibility for the measure. When, then, the "new freedom" arrives, when the new political millennium is ushered in, the credit for this bill must rest with the South. Let credit go where it is justly due. So, now, the great industrial North and West, when about to get its new awakening, must take its hat off and make its acknowledgments. All hail the new and powerful South!

THE BILL A PATCHWORK OF LEFT OVERS.

The bill, in the first instance, was put together by Mr. UNDERWOOD, of Alabama, from a lot of old patchwork pieces left over from the Sixty-second Congress. To these was added the income-tax proposition, a subject remote and distinct from the tariff. Very well, then, Mr. UNDERWOOD, of Alabama, put the patches together. He had associated with him upon the Committee on Ways and Means a majority of the majority of Members from districts south of the thirty-ninth parallel of latitude. Of the 14 Democratic Members composing a majority of the committee, 8 are from the section named, as follows: Mr. UNDERWOOD, of Alabama; Mr. SHACKLEFORD, of Missouri; Mr. KITCHIN, of North Carolina; Mr. DIXON, of Indiana; Mr. HULL, of Tennessee; Mr. GARNER, of Texas; Mr. COLLIER, of Mississippi; and Mr. STANLEY, of Kentucky.

To these eight men more than to all others combined must be accorded whatever of glory and renown may come from the enactment of this legislation. Their brows must wear the laurel, and the political historians of the future must accord to them, very largely, the credit for the achievement. All of these men are time-tried, weather-seasoned, and experienced legislators. All have passed through seasons of tariff revision. Mr. UNDERWOOD himself has passed through no less than three such seasons and is now serving his tenth term.

These gentlemen, in daily contact with each other and in almost daily conference with the President of the United States, a southern gentleman, prepared this bill for the committee and the party caucus. It would be an interesting historical contribution to trace their fine hands and the history of the measure through the committee and the caucus; but I must leave this

subject to those who have had more intimate and personal experience with it.

We may get some idea of the caucus of the coordinate body from the CONGRESSIONAL RECORD.

That interesting publication shows that when last compiled the House of Representatives was made up of 435 Members. Of this number, 291 are classed as Democrats, 126 as Republicans, 7 as Progressive Republicans, 9 as Progressives, 1 as an Independent, and there is, or was, one vacancy. Thus it will be seen that the Democratic majority in the body referred to is 147, and the party's plurality over Republican Members is 165.

It may now be of interest to examine further into the make-up of the majority party in the lower body. Of the 291 Democratic Members, 184 have seen prior service in the body, while 107 Members are serving first terms, with the possible exception of one or two who have had prior service, but who were not Members of the Sixty-third Congress.

It will be interesting for those who cry loudest for majority rule and for popular government, either directly or through representatives, to consider the power lodged with the 184 Democrats of experience and long service in the body. No sane man will contend for one moment that the 107 new Democratic Members, called together in haste to consider and vote upon a new tariff bill that was practically prepared for them in advance, that they had never seen, that they had not had opportunity to read or know anything about, to which they must have their first introduction in the party caucus—no man will contend that these men had anything to do with the inception, development, or progress of this bill. They were novices. Their duty was to acquiesce. Their privilege was to take what was prepared for them. They had but to shut their eyes and take their medicine. Like sheep in the shambles they gathered inside the caucus pen, following the lead of their great shepherd, and took the salt. They were fresh from the farm and the forum and were useful in kicking the keystone from the arch of protection when Mr. UNDERWOOD pointed out its location.

Just how happy they were in doing this is joyously expressed by a Member, not wholly new to the caucus but whose words upon the floor were well calculated to inspire confidence in the breasts of novices and to stiffen their knees if there were signs of weakening. I quote from a speech by Mr. JOHN A. M. ADAIR, of Indiana, delivered on April 25 last. He says:

> I shall vote for this bill as it was reported from a Democratic caucus without dotting an "i" or crossing a "t." I am one of those who believe in majority rule, and when a caucus of my party writes a tariff bill, regardless of whether each and every item in the bill meets with my approval or not, I shall stand by the action of the caucus and give the bill my hearty and enthusiastic support. No Democrat can do otherwise. * * * If we were to read out of the Democratic Party all Members who took issue with the Ways and Means Committee in our caucus on certain items of the bill, there would be none left to sustain the committee in presenting the bill as finally agreed upon to the House.

Similar sentiments were expressed by most of the Democratic orators during the limited debate and within "extended remarks" in another body. They are pictures of personal surrender and party subserviency such as have never before appeared in legislative annals.

We are safe, then, in concluding that to the 184 old Democratic Members, or a small minority of the National House of Representatives, must be given credit for the passage of this legislation through the party caucus and through the lower House.

There are 107 new Democratic Members of this House, and one, a brand-new Member from the old woolgrowing State of Ohio, the mother of Presidents, voiced the sentiments of the minority of novices when he read correctly the signs of the times so far as his own and the fortunes of others similarly situated are concerned. He shows us with what abiding faith and with what good grace the 107 new Democratic Members accepted Democratic tariff faith. I quote from his speech of April 25 (RECORD, p. 376):

> Political death, swift and certain, awaits any Democrat who now doubts or falters. We were sent here to prepare and pass a tariff law which will bear the test prescribed by the Democratic platform adopted at Baltimore. If any Democrat in whom the people have reposed trust and confidence now betrays them, it were better for him that a millstone were tied around his neck and that he were then cast into the bottomless sea. [Loud applause on the Democratic side.]

Does anyone have to guess that the "loud applause on the Democratic side" was the loudest from the 184 old Democratic war horses who were sustaining the game, and with a knowledge born of experience?

SOLID SUNNY SOUTH IN THE SADDLE.

Now, for a moment, let us analyze the 184 Members upon whom must largely rest the responsibility and the glory for this achievement. Here again I declare it is not my purpose to draw any sectional lines for other than the placing of glory where glory belongs. I am glorifying the South, not casting aspersions upon it.

Of these experienced and potential 184 men 111 come from districts south of the thirty-ninth parallel of latitude. With this great majority in its favor, everyone must concede the potentiality of the South in the party caucus and upon the floor. Certainly no one will argue that the 73 old Members from the Northern, Northwestern, Northern Middle, and New England States wielded anything like the influence and power resting with these 111 southern gentlemen. The southern gentlemen themselves would not admit a proposition like that.

In a party caucus controlled by the unit rule, and where the voice of the majority is the voice of all, this power was overwhelming. The 107 brand-new men might not have readily recognized it, but even they were outnumbered and could not have easily rallied against it. Then, too, of these 107 new men 39 were from the South. It was but their duty to acquiesce. They were good men to take a hand at the "jackscrew" or to administer a swift kick against the "keystone of the arch," but they were there only to follow instructions, not to take the initiative.

If the South controlled the caucus and the bill in the lower House, what shall we say of the conditions in the Senate?

Prior to the recent death of the Senator from Alabama [Mr. Johnston] there were 51 Democratic Senators, 44 Republicans, and 1 classed as an Independent-Progressive. So far as this comparison goes, it will not be necessary to change these figures, inasmuch as Alabama will send a Democrat to succeed a Democrat, probably for some years to come. Of the 51 Democratic Senators, 32 are from States south of the thirty-ninth parallel of latitude, and but 19 from territory north of this line.

Take first the great Committee on Finance, to whom the bill was referred, that considered it behind closed doors, reported it to and engineered its progress through the caucus that reported it to the Senate. That committee is composed of 10 members of the majority party and 7 members of the minority party. The members of the minority party have had about as much say as to what the bill should contain as any 7 men located in the wilds of Africa. The 10 men comprising the majority, or participating party, are made up of 6 gentlemen from the South and 4 from the North, the Southern members being Messrs. SIMMONS of North Carolina, STONE of Missouri, WILLIAMS of Mississippi, SMITH of Georgia, JAMES of Kentucky, and GORE of Oklahoma. This is not alone a characteristic of the Finance Committee; it is true of a large number of the committees, while as far as chairmanships of the committees accorded to the majority party are concerned at least two-thirds of the number are presided over by Democrats from the South.

It is probably the first time in a half century when both branches of Congress were so overwhelmingly controlled and dominated by the South; and if it is that section's first opportunity in 50 years, we can not blame it or its representatives if they make the most of it.

We can now realize the spirit that was manifest in the closing words of the distinguished Senator from Georgia [Mr. SMITH] when, making his admirable address before the legislature of his State in the latter part of last July, he said:

> Out of this Democratic administration much good will come for the entire country, but especially for our own section, reinstated and rehabilitated, great in the past, and to be far greater in the future.

The South has indeed been "reinstated and rehabilitated." In control of both branches of Congress, in control of the committees, dominating the caucuses, steering appropriations, claims, and revenue bills, and with a Southern gentleman in the White House, the South has a chance for the greater future predicted for her, and for which every right-minded citizen will be rejoiced.

Many men who have spoken in both branches of Congress have pointed out wherein this tariff bill is sectional. I do not doubt it is sectional. What of it? And why not? How could it be otherwise? Is the reason difficult to find? Is it to be wondered at that the South that grows the cotton does not take well to the fact that a great portion of the manufacture of cotton is done in New England? Do you chide the South because it wants to bring all the mills closer to the cotton fields? It is but a natural desire.

Is it difficult to find how the alien proposition of controlling gambling in cotton futures found its way into this bill? Is it hard to tell how such a sectional feature—sectional in the extreme—attained favor with the Finance Committee, passed muster in the caucus, and was reported out as a new section of this strange revenue measure? I think not. Possibly the newness and the novelty of their situation accounts for their modesty.

There is little, indeed, under the rules that generally govern caucuses, and that did tacitly govern the caucuses referred to, that might not have been accomplished by this legislative solid South.

So much for the agencies that drew and engineered and are to pass this bill.

CAUCUS AND CLOAKROOM LEGISLATION.

Instead of having legislation by Congress we now have legislation by the caucus and cloakroom.

It is a novelty, but the system has its advantages. Unfortunately for political history, the world may never have a correct picture of just what transpired in the Democratic caucus held in the farther end of this Capitol to give the party's representatives a chance to pass upon and approve the tariff bill submitted to it by the Committee on Ways and Means. Like the party caucus of the Senate, it was conducted behind closed doors, and the lips of all participants appear to be sealed as tightly as the lips of the Egyptian sphinx. We can only gather an inkling of what took place from the speeches of participants delivered upon the floor during the very limited time that was given for debate. These demonstrate the absolute subserviency of all participants to the rule of the majority; attest great personal sacrifices of individual opinion and submissive surrender to the powers that were in control. Sufficient quotations have already been made and party votes recorded to demonstrate how utterly and absolutely the junior Members were dominated by their seniors, and how surely the seniors were controlled by the overwhelming majority of this class from the Southern States.

Aside from the mere question of numbers, it can be taken for granted that the caucus at the south end of the Capitol was not unlike that at the north end.

Fortunately for us and the country, we have been given a closer inside view of the caucus system of legislation, as originated by the Democratic majority in this Congress, conducted at the Senate end. We are given glimpses of the inside occasionally by eyewitnesses, by men adept in statecraft and skillful in the art of correctly portraying things they see and recording things they hear. Two such witnesses have furnished us sketches, all too incomplete, I admit, but sketches true to life and full of interest. They furnish a safe ground from which we can judge fairly and impartially this new method of lawmaking. From them the country will be able to form its opinion and render its judgment as to the advisability of abandoning the old and somewhat exacting system for the newer and less responsible system.

TESTIMONY OF DEMOCRATIC SENATORS.

The senior Senator from Nevada [Mr. NEWLANDS], a conservative and careful man of unimpeachable character and unquestioned honor and probity, gives us our first view of the caucus. It is a view of but one of the sessions—the last before the tariff bill was reported to the Senate. It was held on July 7, 1913. He said:

Forty-one Democratic Senators stood up in the party caucus, one by one, late to-day and declared their intention to vote for the Underwood-Simmons tariff revision bill as finally approved by the caucus a few minutes previously.

No oath was administered to those men. They gave no formal pledges; they signed no agreement. They just "stood up, one by one, and declared their intention to vote for" the bill they had approved "a few minutes previously." It is a pretty picture and reminds me of the old-time camp-meeting revival, where the chief exhorter called upon the faithful one by one, in regular order, to arise and declare their allegiance to the Great King.

My Nevada friend's word picture continues:

An absolutely binding resolution was not adopted, the poll by individuals being substituted, and that poll was put only on the ground of personal promise and was not made binding.

From this we must infer that there was an attempt made to secure the adoption of some iron-bound resolution, something that would be of permanent record and well calculated to hold the subscribers or those sworn by every exaction of personal honor; but the "absolutely binding resolution was not adopted," and "the poll by individuals" was substituted.

The substitute was just "a gentlemen's agreement." All of them stood up, one by one, and declared their intentions. It was a poll of the caucus "on the ground of personal promise and was not made binding."

It is not hard to imagine the disappointment of the members of the Finance Committee over the failure to bind those present to the committee bill as fast as Prometheus was bound to the cold rock of Caucasus.

But the Senator from Nevada [Mr. NEWLANDS] continues:

A resolution was adopted, however, declaring the Underwood-Simmons bill a party measure, and urging its undivided support without amendment, unless such should be substituted by the committee. Senator NEWLANDS, of Nevada, cast the only vote against this resolution, but Senators SHAFROTH, RANSDELL, and THORNTON did not vote.

The resolution, drawn by the adroit and lovable senior Senator from Missouri [Mr. STONE], and kept in reserve by him until it was evident that a binding resolution would not be acceptable, reads as follows:

Resolved, That the tariff bill agreed to by this conference in its amended form is declared to be a party measure, and we urge its undivided support as a duty by Democratic Senators without amendment: *Provided, however*, That the conference of the Finance Committee may, after reference or otherwise, propose amendments to the bill.

The Senator from Nevada gives testimony, as I have already indicated, that he alone voted against this resolution, and that Messrs. RANSDELL and THORNTON, of Louisiana, and SHAFROTH, of Colorado, refrained from voting. The duty of proclaiming the resolution and the vote upon it, for it was adopted by a call of the roll of the caucus, was intrusted to the junior Senator from Indiana [Mr. KERN]. That is about all we have from the interesting narrator named from which to judge of party legislation by the caucus system.

We know that the usual unit rule of all caucuses must have been adhered to throughout all the caucuses that were held. It is a pity that we may not have from the junior Senator from Indiana a more complete and detailed statement as to the caucus votes upon other propositions. It would be a valuable contribution to legislative history to know by what majority the Finance Committee's propositions for free wool, free sugar, and free agricultural products were adopted. Some constituencies would be glad to know how their representatives voted in the inner Senate, the Senate that actually did the business, the secret legislative body that determined upon all changes that appear in the bill.

The Senator from Nevada, in his careful account, does tell us just a little more of what transpired inside the secret legislative chamber. Details are so meager that everything we have before us is worth mentioning. He says:

Before final action on the bill the caucus gave concessions to the Senators from woolgrowing States by adopting an amendment making effective a provision for free raw wool on December 1, 1913, and the rates on manufactures of wool January 1, 1914. Earlier in the day the Finance Committee had voted to recommend the dates as October 1 and December 1, respectively, but the caucus voted for the further delay.

Then he adds:

This action completed the revision of the Underwood bill, which has occupied the Finance Committee majority and the caucus since May 7.

Of course that "action completed the revision of the Underwood bill." Everyone admits it. The country understands it. The world knows that so far as the Senate's influence upon this tariff legislation is concerned it was determined—ended—by the action of a majority of a caucus of a party having a small majority in the United States Senate on Monday, July 7, A. D. 1913.

The Senator from Nevada gives some interesting reasons why he would not agree to even the mild form of commitment to caucus action, and his speeches since will be entertaining to those who wish to follow the subject along side lines.

INEFFECTIVE PROTEST AGAINST CAUCUS RULE.

But I must return to my text. The senior Senator from Nebraska [Mr. HITCHCOCK], a man used to portraying current events and a legislator of considerable experience, went into his party's caucus because, as he says, he felt that he could properly go there to consider a tariff bill, which he regarded as a party bill, "and surrender a measure" of his "own independence for the sake of securing a harmonious party result." That Senator has given us something regarding the character of the caucus, its coercive and dictatorial tendencies, and has outlined some of the reasons why he decided to withdraw from it without acquiescence in its resolution declarations. All of the Senator's words are instructive and interesting, but I shall not quote all of them. They are already embalmed in the CONGRESSIONAL RECORD. I shall quote, however, just enough to give further insight into this new legislative propaganda. He says:

The pending bill, Mr. President, is something more than a tariff bill. It presents other means of raising revenue. It levies other taxes than tariff taxes, and contains a number of provisions for the regulation of business.

To my mind it was, to say the least, a mistake to endeavor in a Democratic caucus to bind the individual to the details, for instance, of the pending section providing an income tax. The income tax is a comparatively new idea in revenue legislation in this country. It involves great questions. It has its advocates on the other side of the Chamber as well as on this side of the Chamber. The collection of an income tax has become a matter of distinct constitutional right by Congress, and Republicans as well as Democrats voted for and assisted in securing the amendment to the Constitution to that effect.

When the income-tax question comes into this Chamber, involving as it does not only the degree to which taxation shall be levied upon the incomes of the country, but involving also great social changes which may follow, it seems to me that the individual Democrat, like the indi-

vidual Republican, ought to be permitted by his party to stand here and vote for his convictions.

After all, Senators here were elected to the Senate, not to a caucus, and it is in the interest of the public welfare that great questions of this sort be debated in public and decided in public, particularly when we are engaged in formative, fundamental legislation of this sort.

So, Mr. President, it seemed to me a mistake when my party undertook to decide the details of the income-tax bill in the caucus. Still, I did not leave the caucus on that account. I left the caucus when I asked the privilege of being permitted in the open Senate to introduce a legitimate amendment for the taxation of trusts, and that privilege was denied me. I asked it not only for myself, but I asked it for other Democrats on this side of the Chamber who believe in the principle and want to see it engrafted upon the pending bill. Those men, if compelled to vote against my amendment, which I am here to-day to urge, will have difficulty in explaining to their constituents why they have done so. It is not right for the party to put them in that position when no great party issue is involved.

It has been an unpleasant sight to me, as it has been to many Democrats during the last few days in this Chamber, when Senators on the Republican side of the Chamber have proposed amendments to the income-tax provision that appeal to the sense of justice and appeal to the judgment of Senators on this side, but who, because of caucus rule, were compelled to vote against such amendments. I do not think that is a worthy sight in the Senate of the United States. I do not believe it is right to bind individual Senators and compel them to vote against their conscience and their judgment upon such amendments when no party policy is involved.

That much is preliminary. The Senator goes on:

Mr. President, in order to justify myself for the position I am taking I shall go a little further, and perhaps verge upon the improper in reference to the Democratic caucus of which I was a part. Like all caucuses, I believe the fact to be that our Democratic caucus degenerated into a political machine, and I do not believe that upon the vote upon my tobacco amendment the real sense of the caucus was evoked. I did not offer my tobacco amendment; I merely asked the caucus to leave me free to offer it in the Senate of the United States as an amendment and an addition to the revenue bill.

* * * * * * *

I did not ask the caucus to approve my amendment; I asked to be left free to offer it here in the Senate, and I asked that other Democratic Senators be left free to vote for it according to their consciences and their judgment. I was refused. The Senator from Arizona [Mr. ASHURST], however, offered my amendment, and after a heated controversy it came to a vote in that caucus. * * * Eighteen Members of the Senate voted for my amendment and 23 appeared to vote against it. I say "appeared" because it is a fact, which I shall take the liberty of stating, that the 9 Democratic members of the Committee on Finance voted as a unit, regardless of their convictions. So we have a wheel within a wheel, a machine within a machine. The inner machine controlled the caucus. The vote cast was not the correct expression even of the caucus.

Mr. President, under these circumstances I felt that I was justified and that I could still maintain my Democracy in leaving the caucus and coming here and offering my amendment, as I do to-day, to this bill.

* * * * * * *

I believe I was not only standing upon the ground of public interest, but that I was standing on good Democratic ground when I left the caucus, because I was denied even the privilege, if I remained in it, of presenting to the Senate this amendment proposing to tax the trusts in proportion to their size.

This is all highly interesting. The two pictures make a noteworthy contribution to contemporaneous legislative history. As in the caucus at the farther end of the Capitol, strong men were compelled to vote against their convictions "because of caucus rule." As there, so was there here "a machine within a machine," "a wheel within a wheel," and that inner machine and inner wheel, dominating everything, controlling everything, sweeping everything before it, voting as a unit, was the committee. Truly does the Senator from Nebraska say, "The inner machine controlled the caucus," and by the strength of nine committee votes cast as a unit against him he was denied the privilege of even presenting his amendment upon this floor.

The resolution had been adopted giving the bill the "undivided support" of Democratic Senators "without amendment," and under the prevailing unit rule and his narrow defeat the Senator's rights were exhausted. There was but one way left open to him, and he bravely took it.

CAUCUS RULE LEADS TO CLOAKROOM LEGISLATION.

Caucus legislation is a forerunner to cloakroom legislation. Once a bill has passed a caucus there is nothing left for caucus participants to do but await the good graces of Republican Senators and the final vote. If there are occasional votes in the meantime, there are electrical alarm bells to sound the long tocsin and call the scattered host to action. In this way the members of the majority party are permitted to retire to the cool retreat of the cloakroom, where there are comfortable lounges, cool mineral waters, electric fans, smoking accessories, good stories, and where ample opportunity is afforded to discuss other weighty matters of state. With one man left upon the field to watch the home goal, the caucus system, the call-bell system, and the cloakroom system work a combination that is beautiful to behold. The bill has already practically passed when it is out of caucus. No amendments are to be offered, unless by the Finance Committee, after reference to the caucus or otherwise. There is nothing to do but wait and tire out the minority. This is one of the advantages of the caucus system.

So it is that it has frequently happened, when the caucus has gathered within the cloakroom to celebrate its great achievement in hilarious joy, the presiding officer in the Senate has felt it incumbent upon him to have the doors to the Democratic cloakroom closed in order that the celebrations might not be disturbed.

The caucus has taken on new features since the day the Senator from Nebraska became disgusted with it. One feature is the presence of the Vice President within it. The newspaper accounts tell us how he was invited to the secret council and how for five long hours he was a silent and interested spectator. Why he should have been overlooked in the preceding conventions it is hard to explain. It can not be possible that the members of his party in this Chamber believed it necessary to stand him up that he might be added to the poll and be forced to declare his intention in the event that there should be a tie vote on the passage of the bill.

It can not be possible that the alarming reports in the press dispatches from Nevada to the effect that the senior Senator from that State [Mr. NEWLANDS] was returning to vote against the bill had anything to do with this. True, some of the votes, like those on the maple sugar and jute paragraphs, have been uncomfortably close. It may be that the leaders thought it time to pledge the reserved force. I can not believe, however, that the genial partisan called to the high office of Vice President was invited into late caucuses from any fear of his action in any event calling for party allegiance and testing party fealty.

VICE PRESIDENT ATTENDS CAUCUS.

To me there has never seemed any likelihood that the vote of the Vice President, if required, would ever go astray. That distinguished and delightful gentleman is noted for being a partisan, and this is said in no spirit of criticism. Without the binding force of a caucus resolution he has shown himself a splendid defender of the product of the caucus, and I say this in no spirit of derogation.

Whatever reason may have impelled the caucus to invite the President of the Senate to its sacred precinct it was not because of fear that that high official would not pick up the proper cue at the right time. The manner in which the Chair of the Senate has been guarded during the debate upon this bill would put to sleep any suggestion that its regular occupant could not be trusted. Never, for one moment, has a Republican Senator been called to it during all this debate. Regularly every day, whenever the Vice President has left the chair for any purpose, a Democrat has been left on guard. Certainly no Republican will find any fault with this; certainly no one will construe it as a reflection upon the honesty or fairness of Members upon this side; certainly no one would wish to deprive the Vice President of his rights in this respect. The fact is only cited to substantiate the claim that the genial presiding officer of this body can be trusted as a Democrat to stand without hitching. If he more readily hears Democratic voices, and more easily distinguishes Democrats in his landscape, it is only proof of his party loyalty and fealty and is no evidence that he does not wish to be wholly impartial. I am sure we on this side have no fault to find, and the presiding officer will understand that no criticism, not even in the least degree, has been intended.

We are all glad the Vice President has been given a seat in his party's caucus. He is a keen observer and a pleasant and eloquent raconteur. He has graphically portrayed some of the modern evils that are threatening the Republic. We will look forward with pleasure to his philosophical observations upon the caucus system of legislation.

INFLUENCE OF THE CAUCUS UPON LEGISLATION.

The influence of the caucus upon the course of legislation upon the floor has already been dwelt upon. At times it has been ridiculous and ludicrous. Whenever inconsistencies have been pointed out in the bill by Members on this side—and the bill is chock full of them—speedily there has been a getting together of heads upon that side. Going even to the matter of phraseology and punctuation; whether it was proposed to fix a rate upon etchings, engravings, and sheet music based upon the value of the paper or the cutting out of a superfluous comma, in every instance the gentleman handling the bill upon that side would look around for help, there would be a little group caucus over there, and business would stop until the weighty proposition had been passed upon. Frequently it would be determined that, under the terms of the Stone caucus resolution, no minority of the committee should permit the suggested change to be made, and back to the committee the paragraph or the faulty sentence or the misplaced comma would go. Whenever anyone on this side has offered an amendment containing popular features such as nine-tenths of the Democratic Senators would vote for, if unbound and unpledged, the wise senior Senator from Mississippi [Mr. WILLIAMS] could be counted upon to arise in

his place and announce that the committee had long had under consideration an amendment of the same sort that, in his judgment was just a little bit better, and he would suggest that the whole subject be recommitted, and recommitted it would be. This plan worked in the case of the well-balanced proposition of the senior Senator from Wisconsin [Mr. LA FOLLETTE] for the levying of a surtax on incomes, but not until after the caucus rule had been invoked on that side and a vote had been taken. Then, to stand square on the record, the senior Senator from Arizona [Mr. ASHURST] did explain, and other Senators tried to explain, that they voted "No" upon the La Follette amendment because they were certain that the committee or the caucus would again cover the ground, and, realizing the dangerous ground upon which the Republican Members had placed them, the committee and the caucus, after long and heated struggles, have taken this paragraph under advisement.

The senior Senator from Kansas [Mr. BRISTOW] was more fortunate when he sprang his amendment for the abolition of the Dutch standard for testing sugars upon the unsuspecting Democracy represented in this Chamber. There was a scramble and confusion upon that side. There was a stir from the cloak room. Delay, recommitment, evasion could not satisfy the senior Senator from Kansas, and so, after the floor caucus over the aisle, the Dutch standard test went out headlong. That is the greatest individual victory that has been secured upon this side. That was the only important instance, so far as my memory serves me, where caucus legislation was thwarted and where the proviso of the Stone resolution was given a black eye.

But the abject and unrelenting subserviency to the caucus, the fear of it, the relentless jealousy by which great statesmen, leaders of their party—heretofore independent beings—have yielded to its domination, have followed the letter as well as the spirit of its demands and resolves, passes the comprehension of the speaker. There has never been anything like it before in legislative history—great men prohibited in terms from offering amendments even of the most trivial character; great statesmen, heads of great committees of this body, men of long and brilliant service, proscribed and muzzled.

When, pray, was the distinguished senior Senator from Georgia [Mr. BACON], head of the important Committee on Foreign Relations, unable, independently and of his own motion, to suggest and defend an amendment upon this floor? In what prior debate upon a tariff bill has he construed it his duty, under some secret caucus rule, to keep silent and leave the discussion to those alone upon the committee having the bill in charge? His voice is not the only one of the voices long heard and long heeded in this Chamber during tariff debates that in this debate has been conspicuous for its silence. I could name a dozen other war horses upon that side who have seemingly sacrificed their experience, their prowess, and their talents upon the altar of the party caucus.

These experienced statesmen have felt it almost incumbent upon themselves to sit as dummies while the business on the floor was being conducted by members of the Finance Committee, a number of whom are novices, so far as senatorial experience goes, but who secured places upon the committee with the great influx of new Members, who at once began smashing time-honored precedents of the Senate and changing the rule governing assignments to committees.

But the caucus system has wrought this change, and a new order prevails. Truly the old has become new.

It will be an addition to the history of this innovation in lawmaking to add a few illustrations of the complacent grace with which some of these rare, old-time Senators have accepted the caucus yoke and its binding force.

The distinguished senior Senator from Georgia yielded to the inevitable in these words:

> Mr. President, I agree fully with what the Senator from Mississippi said. There are many things in this bill that I do not agree to. I will go further and say that if I had my way in forming the bill it would be drafted on some different lines, but I agree with the general principles which are involved, and I surrender and subject my private judgment to the judgment of my colleagues. It is only in such a way that anything can be accomplished by a body.

The senior Senator from Mississippi [Mr. WILLIAMS] has on all occasions been the chief defender of the caucus and its exactions. I will quote him fully, but only sparingly, just sufficient to show how humbly he accepted the yoke. The following are a few of his utterances upon the subject:

> The Democratic Party is in power and is going to put through a Democratic tariff bill as nearly as it can. "As nearly as it must" is a better expression, because it is a case of "must," and to that extent it is coercion. There is not a man here who is not coerced to a certain extent by the actual industrial condition with which he is confronted. * * * As to my position on the sugar question, the Senator says I can not candidly announce it and can not logically defend it. I can candidly announce it, at any rate, but I simply confess that I can not logically defend it. I can not logically defend the provision of the pending bill upon sugar. I am not going to attempt to do it, because it is not my view. But I can candidly announce that the position I could have logically defended I have voluntarily surrendered in order to help get a reformation of the tax laws of this country. That is candid enough, I take it, as an announcement.

The chairman of the Finance Committee [Mr. SIMMONS] takes a pugilistic stand for the caucus system. In defending it, upon one occasion he said:

> Mr. President, I deny that our method of framing this bill has met the disapproval of those who are in favor of tariff reductions and opposed to the outrageous and burdensome exactions of the present tariff for the benefit and enrichment of a privileged few. We are willing to stand or fall by our actions in this behalf.
>
> Why should Senators on the other side be solicitous about the effect of our caucus action upon the fate of the Democratic Party? We are not. We assume full responsibility and have no fears. We are not apologizing for our action; we are standing by it. This bill represents the collective judgment of the Democrats of this Congress and we are going to pass it as a fulfillment of our pledges to the people.

The good-natured senior Senator from New Jersey [Mr. MARTINE], who always states things in plain words, rushes to the defense with this:

> I realize, and the Senator [Mr. CUMMINS] must, too, that I am a member of a great party; and I want to say in defense of our caucus, to which the Senator has alluded, that it was a most typical Democratic caucus. We advocated our respective sides of the various schedules to our heart's content, and as Americans, as Democrats, and as citizens under a democratic form of government we bowed to the edict of the majority and allowed our individuality and our individual thoughts to be swallowed up by the majority of our party. We believed that we were best advancing the welfare of our Commonwealths and the welfare of our country by so doing.

I could stand here for the remainder of my time giving quotations from Democratic Senators who have seemed to feel the new system needs some defense and who have been quick to rush to arms, but my only desire has been to contribute a slight, and necessarily all too meager, description of the new system of caucus and cloakroom legislation.

LINES ARE DISTINCTLY DRAWN.

So, Mr. President, the lines are distinctly drawn. If our friends on the other side, who now have the working majority, are able to retain that majority, we shall have entire and absolute free trade as soon as they can reach it. But if they have what that party has had heretofore and what our party has had, divisions that seem unimportant at first, and that can be easily overcome in caucus, and ultimately they are divided as we have been, then again we must take up this subject.

For that reason and for many others I have been one of those ready to support any kind of a proposition for a tariff board that might, at least in some small measure, remove the business of the country from the field of party politics.

Mr. BRADY. Mr. President, this seems to be a day for saying the last word. It seems that the time has come, and the hour is almost here, when we must cast our votes for or against this measure. I am going to vote against the bill for the reason that I believe it is full of discriminations, especially against the farmers and the producers of the country.

I was very much interested this morning in the address of the senior Senator from West Virginia [Mr. CHILTON]; and yet he did not produce a single argument that I believe will satisfy the American citizen that this bill will fulfill the hopes and desires of the Democratic majority. With the junior Senator from Wyoming [Mr. WARREN], who has just taken his seat, I must say for my own State, as he said for his, that it seems that they have placed upon the free list almost every article we produce in our State and have given us very little benefit in other ways.

LEAD MINING A GREAT INDUSTRY.

Before the arguments upon the bill are closed, I desire to say just a few words relative to one particular industry in our State that means much to our people. The State of Idaho produces 30 per cent of all the lead that is produced in the United States and 10 per cent of all the lead produced in the world. This industry gives employment to over 10,000 men, and indirectly is of great benefit to at least 40,000 of the people of our State. It is an industry that necessarly will have to be protected in order to survive. This is admitted by our Democratic friends when they place a tariff duty of three-fourths of 1 cent per pound upon lead ore.

While our Democratic friends have put upon the free list almost every other product of our State they have been good enough and generous enough to allow us a duty of three-quarters of a cent a pound upon lead. I am not going to say that they have attempted to act otherwise than honestly and fairly with us from their viewpoint. But I do say that the lead industry of Idaho and the West can not continue to prosper with a protection of three-quarters of 1 cent per pound, and I sincerely hope that when the bill goes to conference the members on the part of the Senate may see their way clear to have the conference committee raise the amount from three-quarters of 1 cent to 1 cent.

I am not a high-protective advocate in any sense of the word. I believe in the protection of American industry, but I believe

that should be given on a fair and equitable basis, and that the tariff should be extended to any industry whenever it is necessary to maintain it.

If it had not been for the protection afforded by Republican legislation to lead ores the great Coeur d'Alene mining district in Idaho could never have been successfully developed and have been enabled to furnish so large a portion of the world's supply in competition with Mexico, Spain, and other lead-producing countries.

THE PROSPECTOR AN IMPORTANT FACTOR.

Mining is very different in character from any other industry. It requires patience, good judgment, and honesty and tenacity of purpose to make a successful miner or prospector, and only men who have had practical mining experience can really appreciate what it means to go down into the bowels of the earth and bring forth the precious metals for the beneficial use of mankind. A man's intentions may be good, but he will surely fail either as a prospector or practical miner if he lacks the proper training and experience. It is imperative, if a mining enterprise is to be successful, that it be conducted along sane and legitimate lines, and that only properties which have merit be developed to any great extent. All investments made in the development of mining properties must be spent in an intelligent and conservative manner. The prospector and miner—the men who discover and develop mines—are the persons who need encouragement and protection. We do not concern ourselves with the promoter who has richly furnished offices in some eastern city and sells his worthless mining stock to the credulous investor, but the prospector who starts for the hills at the first indications of spring and toils every hour of every day until the snow drives him back in the winter must be encouraged to continue his explorations if the mineral resources of the country are to be developed. He is a most necessary and important factor in the mining industry.

One of the great assets of this country is its mineral resources, and it should be our ambition as a Nation to develop these resources to the fullest extent. This can only be done by proper encouragement and protection to the prospector, to the investor, and to the man who toils in the mine. To accomplish this, if our present high standard of wages is to be maintained, we must grant a reasonable protection to the products of the mines.

I come from a State possessed of great mineral resources. Idaho to-day is a producer of gold, silver, copper, and is the second lead-producing State in the Union, and yet her mining industry is in its infancy. We are just beginning to realize the great possibilities that are in store for our State in the way of mineral production. New mines are being discovered by the prospector who takes his pick and shovel upon his back and wanders through the hills and ravines until he finds indications of mineral. He then begins development work alone. If the prospect is encouraging, he returns and persuades some of his friends to join him in the development work. They continue to develop the prospect faithfully until it is determined whether or not it is a good mine or a failure. Nine times out of ten these prospects are abandoned. Years of work by the prospector and his associates may be lost.

GREAT RISK INVOLVED IN MINING.

The next year they may try again, for there is no class of men on earth with the hope and faith of the prospector and the miner. They are optimists in the strongest meaning of the term, and it is necessary that it should be so or the great mines that are contributing millions and millions to the wealth of our Nation to-day would not have been discovered or developed. These men need encouragement. When they have discovered a mine, have sunk the shaft to a sufficient distance to deliver ore, they hire American workingmen to take this mineral from the ground; they pay good wages and secure good and efficient service. The State of Idaho to-day has 631 active mines that have been developed beyond the preliminary prospect and are being worked for the ore that they produce. We also have 242 idle mines that even under the present favorable conditions have not proved to be paying properties.

This can not be attributed to the tariff, either at the present time or in the future. These 242 mines are situated at a great distance from the railroads, and for that reason they are unable to transport the ore at rates that would justify mining. They can be developed only as the years go by and railroad facilities can be utilized.

Ninety per cent of these mines are owned and operated by honest, industrious western miners, who belong to no trust or combination, but are honestly developing the properties for the legitimate profit that may in the future be secured. These are the men and these the products that need protection. I do not believe that a duty of three-fourths of 1 cent per pound on lead will give them such protection as will enable them to develop and operate their mines. I honestly believe if this bill becomes a law that within the next two years 75 per cent of the mines in my State, if not more, will close down. The larger mines have been developed under a protective-tariff system to a substantial paying basis. They have all modern appliances and may be able to operate in the hope that at the first opportunity the American people will right this great wrong that will have been done if this bill becomes a law by putting American labor on an equal footing with that of Mexico, Spain, and other nations of like character. The western miner is the best paid workingman in the world and constitutes the highest class of labor. In my State we have a law that does not permit a foreigner to be employed in an underground mine. Both operators and workingmen desire to keep American labor on a high plane. This can only be done by giving reasonable protection to the mining industry.

OUR MINES CAN NOT COMPETE WITH MEXICO AND SPAIN.

It will be seen by the following comparative statement of wages in the United States and Mexico just what a wide difference there is in the wages paid in these two countries for the same class of work. In the production of lead the labor cost is the largest factor, and it will thus be seen that it is absolutely impossible for the lead mines of Idaho to compete with the lead mines of Mexico and Spain, and other foreign lead-producing countries, and be able to maintain the American standard of wages without the benefit of our present protective tariff.

Here, without delaying the Senate, I shall ask to have the table inserted, and also a brief filed by the lead producers of Idaho in behalf of a tariff on their product.

The VICE PRESIDENT. Without objection, that will be done.

The matter referred to is as follows:

	Coeur d'Alene, Idaho.	Mexico.
Miners	$3.50–$4.00	$0.75
Muckers	3.00– 3.50	.50
Laborers	3.00– 3.50	.50
Timbermen	3.50– 4.00	$0.75– 1.00
Pumpmen	4.00	1.00
Engineers	4.50– 5.00	1.00
Shift bosses	5.00– 6.00	.....
Track and pipe men	3.50– 4.00	1.00
Blacksmiths	4.00– 5.00	1.00– 1.25
Blacksmiths' helpers	3.50– 4.00	.75
Machinists	4.50– 5.00	1.00
Millmen	3.50– 4.00	.65

Average, Coeur d'Alene, $3.60; day's work, 8 hours.
Average, Mexico, 80 cents; day's work, 10 to 12 hours.

BRIEF TO THE COMMITTEE ON WAYS AND MEANS, HOUSE OF REPRESENTATIVES, BY LEAD PRODUCERS OF THE COEUR D'ALENE DISTRICT, IDAHO.

[Submitted January 10, 1913.]

Hon. OSCAR W. UNDERWOOD,
Chairman Committee on Ways and Means,
House of Representatives, Washington, D. C.:

The producers of lead ores in the Coeur d'Alene district, Idaho, respectfully protest against the proposed reduction of the duty on lead in ores, pigs, and bullion, and urge that the present schedule (pars. 181 and 182) be allowed to remain unchanged, and that if any reduction be made it shall not exceed one-fourth of 1 cent per pound.

The Coeur d'Alene district produces about 117,000 tons of lead per annum, which is more than 30 per cent of the total lead produced in the United States. It has developed this great output under the protection afforded by the present tariff, without which the production would be insignificant. The industry is the sole support of a community of 12,000 people, who, by reason of the high wages paid, are prosperous and contented, and most of whom own their homes. The wages paid in these mines average $3.60 per day of eight hours. The laws of Idaho make it unlawful for any private corporation doing business in the State to employ any alien who has failed to declare his intention to become a citizen of the United States. (Sec. 1458, Revised Code of Idaho.) This makes the Coeur d'Alene district a peculiarly American community, with a population far above the average in intelligence, industry, and thrift.

Besides the men directly employed in the mines, it should be borne in mind that there are thousands of others employed in the transportation and smelting of the ores and the distribution of the refined product. The total value of the ore, which amounts to nearly $14,000,000 annually, is ultimately distributed as wages and affords a livelihood to approximately 40,000 people.

The production of lead ore in the Coeur d'Alene district is carried on with a very small margin of profit. Any reduction of the tariff resulting in a lower price for lead will reduce that profit to the vanishing point in some instances and in others to a point below a fair and equitable return on the money invested. Some of the mines will be forced to close, and those that continue to work will be obliged to restrict their operations. Investors will lose their income, and the value of their properties will be destroyed. Many men will have to leave and search for other occupation, the entire business fabric will be unsettled, and distress will prevail throughout the district.

That this is no alarmist view will be seen from the accompanying statement, showing the cost of producing lead in the Coeur d'Alene district for the three years 1909, 1910, and 1911. In those three years the district shipped, in ores and concentrates, 351,461 tons of lead and 19,102,555 ounces of silver. The average New York prices during the period were, for the lead, 4.401 cents per pound, and for the silver, 52.462 cents per ounce, making the gross value of the product $40,956,174. The total amount received by the mines was $23,195,319, the difference

of $17,760,855 being the cost of smelting, transportation, and marketing. Of the latter amount, $501,078 represents the smelting loss on silver, leaving the cost of marketing the lead $17,259,777. The cost of production at the mines amounted to $16,249,846. Adding this to the cost of marketing, we have a total cost of producing and marketing the lead amounting to $33,509,623, equal to 4.767 cents per pound. The price received was, as stated, 4.401 cents per pound, showing a deficit of 0.366 cents per pound, or a total deficit on the lead in the three years under consideration of $2,575,019. It is clear that the lead, considered by itself, can not be produced at the prices which have prevailed, even under the present tariff. The production is possible only by reason of the fact that these ores carry silver. It takes all of the lead value and part of the silver value to cover the cost of producing and marketing the lead. The profit is dependent entirely on the by-product. The total surplus earnings for the three years amounted to $6,945,473, or $2,315,158 per annum, or about 8 per cent on the capital invested. If the total value of the silver by-product be credited on the cost of production and this surplus be considered as profit on the lead, it will be seen that the cost of producing and marketing a pound of lead was 3.413 cents and the profit was 0.988 cent per pound, with an average selling price of 4.401 cents. This is without any charge for amortization of the capital invested, for which a proper allowance would be one-half cent per pound. Deducting this, the actual profit was only 0.488 cent per pound and the total profit $1,143,621 per annum, which is less than 5 per cent on the capital invested. With the prospect of a lower duty, the price of lead has already declined to 4.25 cents per pound.

The foregoing statement of the cost of production in the Coeur d'Alene district is verified by the investigations of W. R. Ingalls, from whose work on Lead and Zinc in the United States the following is quoted:

"In chapter 1 it was estimated that the cost of producing lead in the Coeur d'Alene in 1907 was in the neighborhood of 3.3 to 3.5 cents per pound, basis New York delivery; i. e., if the price of lead should be 3.5 cents per pound and the price of silver 50 cents per ounce at New York, some of the Coeur d'Alene large producers would realize no profit, even after disregarding allowances for amortization. It would be highly difficult to generalize the capital account in this district, but probably it would not be far out of the way to say that the total cost of producing lead in the Coeur d'Alene is in the neighborhood of 4 cents per pound when silver is worth only 50 cents per ounce.

"There is no question that lead can be produced more cheaply in Mexico, Europe, and Australia than in the United States, inasmuch as the price at London for long periods has been lower than 3 cents per pound and the output of the mines is maintained. The superior advantage of the foreign countries is partly in cheaper labor, partly higher grades of ore, which more frequently than in America yield two valuable products, e. g., zinc and lead, as in Australia, and partly to shorter railway hauls. The cost of smelting and refining is as low in the United States as anywhere in the world; the freights on the whole are higher—not per ton-mile, but in the aggregate of miles; the cost of mining per ton of concentrated product is doubtless higher on the whole, which is attributable to the higher rates of wages."

The present duty on pig lead is 2½ cents per pound, and on lead in ores it is 1½ cents per pound. The rate provided in the bill introduced in the last session of Congress was 25 per cent ad valorem on both classes. The average price of pig lead in London for a period of 32 years, from 1880 to 1911, inclusive, was equal to 2.85 cents per pound. With freight added, the cost laid down in New York would not exceed 3.1 cents, and the proposed duty of 25 per cent ad valorem would amount to 0.78 cent, making the price at New York, duty paid, 3.88 cents per pound. As a matter of fact, very little of the foreign lead that is imported comes in the form of pig lead. It is nearly all in ores and bullion imported from Mexico, to be smelted in bond. Whenever conditions are favorable for importation for consumption it is this lead that is retained in the country, and the charge for freight from Europe has not to be considered.

This duty of 0.78 cent, compared with the present duty of 2½ cents, shows a reduction of 63.3 per cent. In the case of lead in ores the reduction will be still greater. Take, for example, a Mexican ore containing 40 per cent lead. What would be the value of the lead in such an ore at the port of entry, say El Paso, Tex.? The cost of smelting and refining and the freight to New York, which would be $12 per ton of ore, or 1½ cents per pound on the lead, must be deducted from the New York price. If the latter be 3.88 cents, we have then a value of 2.38 cents per pound for the lead contained in the ore after the payment of duty. That would give a value of 1.9 cents per pound of lead, and the duty of 25 per cent would be only 0.48 cent, as against 1½ cents at present. In that case the reduction would be 68 per cent.

Lower grade lead ores, carrying high silver values, might come in free. If we take, for instance, an ore containing 15 per cent lead, but of such a character that the cost of freight, smelting, and refining would still be $12 per ton, or 4 cents per pound on the lead contained, the latter would have no value at the port of entry, and no duty could be assessed upon it. Undoubtedly large quantities of such ores would be sent into this country; and silver ores, carrying no lead, would be mixed with lead ores for the purpose of reducing the grade of the latter and so avoiding the payment of duty. This would simply swell the profits of the foreign mine owners. It would produce no revenue for this Government, and would destroy an important established industry, employing many thousands of men. We should be throwing open our market to the world and forcing American labor to compete with the labor of Mexico and Spain, where wages average only 80 cents per day.

Beside their cheap labor, the Mexican producers have a great advantage in the matter of transportation. From the principal mines to the Mexican smelters the freight on ore is $3 per ton, and as the ore contains about 50 per cent lead, the freight is equal to $6 per ton of pig lead. From the smelter to New York the freight on pig lead is $4 per ton, making the total cost of transportation from the mines to New York $10 per ton of pig lead. The total cost of transportation from the Coeur d'Alene mines amounts to $23 per ton of pig lead. The Mexican mines have therefore an advantage of $13 per ton of pig lead, or 0.65 cent per pound.

It is to be presumed that the reduction of the duty is proposed in the interest of the consumer. But experience shows that the consumer is not likely to derive any substantial benefit from the reduction of duty, and that practically the entire benefit will accrue to a few manufacturers. The largest consumption of lead is in the form of white-lead pigment. But the price of the latter bears no fixed ratio to the price of pig lead, as will be seen by reference to the table attached hereto, showing the prices of the two commodities for a period of 17 years. Taking the period of three years, 1895 to 1897, during which the duty was one-half of the present duty, and comparing it with the subsequent period, we find that the prices averaged as follows.

Year.	Pig lead.	Dry white lead.
	Cents.	*Cents.*
1895–1897	3.263	4.958
1898–1911	4.492	5.448
Difference	1.229	.490

Showing that, although in the earlier period the price of pig lead was 1.229 cents per pound lower than in the later period, the price of white lead was only 0.490 cent lower. In the fall of 1907 the price of pig lead fell 2½ cents per pound, but the price of white lead fell only three-quarters of a cent per pound.

In the 14 years from 1898 to 1911, during which the present tariff has been in effect, the duties collected on imports of lead have averaged $596,733 per annum. Under the tariff which was proposed, to produce the same revenue approximately three times as much lead must be imported, which would amount to about 50,000 tons per annum. To pay for this we must send out of the country each year more than $3,000,000, which ought to be paid as wages to 3,000 American miners.

Attention is called to the annexed table, showing the effect of an ad valorem duty applied to the market conditions of the last 10 years. From this table it appears that at all times within the 10 years, under a duty of 25 per cent ad valorem, foreign pig lead could have been laid down at New York at prices much below those which prevailed under the existing duty of 2½ cents per pound. The average London price during the 10-year period was 3 cents per pound, on which the ad valorem duty would be 0.75 cent per pound, making the cost, duty paid, 3.75 cents. The average New York price for the same period was 4.57 cents, a difference of 0.82 cent per pound. If the Coeur d'Alene mines had been obliged to face the price of 3.75 cents, some of the largest producers would have been unable to meet the competition and would have been forced to close. It has been shown that for the three years 1909, 1910, and 1911 the gross profit earned by these mines averaged 0.988 cent per pound of lead produced, or, after allowing 0.5 cent for amortization, the net profit was only 0.488 cent per pound. For these three years the average difference shown by the table is 0.78 cent per pound, the price of foreign lead, duty paid, averaging 3.6 cents. Had the Coeur d'Alene mines met this price their average gross profit would have been only 0.208 cent per pound, and with the allowance for amortization there would have been an average loss of 0.292 cent per pound.

The New York and London prices run substantially parallel. When the price is low here it is usually correspondingly low there. Consequently, under an ad valorem tariff, the duty on foreign lead would be least at the time when our own mines most need protection. When natural business conditions had lowered the price, the market would be further weakened by the larger importations made possible by the lower duty. The duty, whatever it may be, should be specific; and it has been shown that the rates now in effect are absolutely necessary for the continuation of the lead industry in the Coeur d'Alene district.

Respectfully submitted.

FREDERICK BURBIDGE,
For the Lead Producers of Coeur d'Alene District, Idaho.

Cost of producing lead, Coeur d'Alene district, Idaho, 1909–1911.

Shipped 351,461 tons lead, at 4.401 cents per pound		$30,934,604
Shipped 19,102,555 ounces silver, at 52.462 cents per ounce		10,021,570
Total gross value		40,956,174
Net amount received by the mines		23,195,319
Difference, being the cost of marketing (includes freight, smelting, metallurgical losses, carrying and selling charges)		17,760,855
Of which metallurgical loss of silver was		501,078
Leaving the cost of marketing the lead		17,259,777
Mining and milling expenses were		16,249,846
Making the total cost of producing and marketing the lead, per pound	Cents. 4.767	33,509,623
Received for the lead, per pound	4.401	30,934,604
Cost exceeded value	.366	2,575,019
Crediting the net value of the silver on the cost of the lead, per pound	1.354	9,520,492
There is a surplus of, per pound	.988	6,945,473
Allowance for amortization, per pound	.500	3,514,610
Real profit (three years), per pound	.488	3,430,863
Real profit, per annum		1,143,621

Less than 5 per cent on the money invested.

World's production of pig lead (metric tons).

[From statistics compiled by the Metallgesellschaft, Frankfort, Germany.]

Producing country.	1905	1906	1907	1908	1909	1910
Spain	180,700	180,900	185,800	183,300	184,000	191,000
Germany	152,600	150,700	142,300	164,100	167,900	157,900
France	24,100	25,600	24,800	26,100	25,900	21,000
Great Britain	23,300	24,000	27,500	29,700	28,200	30,000
Belgium	22,900	22,200	27,500	35,700	40,300	39,000
Italy	19,100	21,300	23,600	26,000	22,100	16,000
Austria-Hungary	13,500	16,400	15,000	14,000	14,000	17,500
Greece	13,700	12,100	13,500	16,000	15,300	16,800
Canada	25,700	23,800	21,600	19,600	20,800	15,000
Australia	107,000	93,000	97,000	119,000	77,200	98,800
Mexico	75,000	54,000	72,000	110,000	118,000	126,000
United States	312,500	334,800	371,100	318,400	350,300	371,000
Other countries	13,800	14,400	15,100	15,600	20,000	20,000
Total	983,900	973,200	1,036,500	1,078,100	1,085,000	1,132,900
Per cent produced by United States	31.76	34.40	35.89	29.53	32.27	32.80

Average annual prices of pig lead.

[In cents per pound.]

Year.	New York.	London.
1898	3.78	2.82
1899	4.47	3.22
1900	4.37	3.69
1901	4.33	2.72
1902	4.07	2.45
1903	4.24	2.51
1904	4.31	2.60
1905	4.71	2.98
1906	5.66	3.77
1907	5.33	4.15
1908	4.20	2.93
1909	4.27	2.83
1910	4.45	2.80
1911	4.42	3.01
Average for 14 years	4.40	3.03

Comparison of wages per day paid in Coeur d'Alene mining district and in Mexican mines.

	Coeur d'Alene.	Mexico.
Miners	$3.50–$4.50	$0.75
Muckers	3.00– 3.50	.50
Laborers	3.00– 3.50	.50
Timbermen	3.50– 4.00	$0.75– 1.00
Pump men	4.00	1.00
Engineers	4.50– 5.00	1.00
Shift bosses	5.00– 6.00	.....
Track and pipe men	3.50– 4.00	1.00
Blacksmiths	4.00– 5.00	1.00– 1.25
Blacksmiths' helpers	3.50– 4.00	.75
Machinists	4.50– 5.00	1.00
Millmen	3.50– 4.00	.65
Average	3.60	.80
Day's work.....hours..	8	10-12

Importations of lead in ore and furnace products to be smelted and refined in bond.

[Tons of 2,000 pounds.]

1900	114,397
1901	111,867
1902	105,185
1903	103,384
1904	104,128
1905	92,608
1906	72,371
1907	69,704
1908	107,634
1909	108,969
1910	108,423
1911	91,145

Reexports of foreign lead.

[Tons of 2,000 pounds.]

1900	100,288
1901	100,026
1902	82,228
1903	81,971
1904	84,142
1905	59,741
1906	47,323
1907	51,502
1908	81,553
1909	87,574
1910	69,786
1911	101,227

Domestic production of pig lead.

[Tons of 2,000 pounds.]

1900	279,107
1901	279,922
1902	280,524
1903	276,694
1904	302,204
1905	322,474
1906	350,153
1907	365,166
1908	310,762
1909	354,188
1910	372,227
1911	406,148

Importations of pig lead.

[Tons of 2,000 pounds.]

1901	604
1902	2,529
1903	3,023
1904	8,724
1905	5,720
1906	11,763
1907	9,277
1908	2,759
1909	3,576
1910	3,485
1911	2,632

Average prices of pig lead and dry white lead, 1895 to 1911, inclusive.

[In cents per pound.]

Year.	Pig lead.	Dry white lead.
1895	3.23	4.625
1896	2.98	4.625
1897	3.58	4.450
1898	3.78	4.625
1899	4.47	5.187
1900	4.37	5.812
1901	4.33	5.031
1902	4.07	4.625
1903	4.24	5.687
1904	4.31	5.250
1905	4.71	5.937
1906	5.66	6.562
1907	5.33	6.437
1908	4.20	5.250
1909	4.27	5.250
1910	4.45	5.375
1911	4.42	5.250

Table showing effect of an ad valorem duty of 25 per cent on pig lead, applied to market conditions of 10 years, 1902 to 1911, inclusive.

Year.	Average London price (cents per pound).	Duty at 25 per cent ad valorem.	Cost at New York, duty paid.	New York price (cents per pound).
1902	2.45	0.61	3.06	4.07
1903	2.51	.63	3.14	4.24
1904	2.60	.65	3.25	4.31
1905	2.98	.75	3.73	4.71
1906	3.77	.94	4.71	5.66
1907	4.15	1.04	5.19	5.33
1908	2.93	.73	3.66	4.20
1909	2.83	.71	3.54	4.27
1910	2.80	.70	3.50	4.45
1911	3.01	.75	3.76	4.42
Average	3.00	.75	3.75	4.57

Mr. BRADY. We are not here to beg for a prohibitive tariff on lead. We do not even suggest this, but we are asking that you do not destroy an industry that furnishes employment to thousands of men and pays the highest known wage to mining men in the world and that does not permit foreigners to supplant the American workingman in American mines.

Idaho stands out preeminently as a State that is inhabited by exceptionally industrious and law-abiding people. The statistics of the last census show that 98.1 per cent of our entire population are white and that only 2 per cent are illiterate. It is the American man and the American woman that we are asking you to protect. It is the American standard of labor that we are asking you to maintain. It is the American principle of fair play that we are asking to be applied to us at this time, and it would only be fair play for you to give us a duty that will sufficiently protect the lead-mining industry and thus enable us to at least keep our heads above water until the people of this country can have a chance to say, with the matter fairly and squarely presented to them, whether this tariff bill will accomplish the results claimed for it by the party now in power.

Mr. President, I simply wish to say, in closing, that I have listened to the arguments pro and con on this tariff bill, and I believe it is only just and fair to say at this time that, in my judgment, both the minority and the majority have placed their arguments before the Senate in a fair and unbiased way. I am not one of those who claim that because a man differs with me politically, or upon any other point, he is viciously wrong. I believe in the goodness of men. I believe in the manhood of the American citizen. I believe that, while the Senators on the other side have tried honestly and faithfully to enact a law that they believe to be just and right, their endeavors have been a failure. I am willing to go back to the people of the West and lay our case before them, on what I have learned here in the few short months I have served in the Senate, as to the real difference in the principles of the Republican and the Democratic Parties.

REPUBLICAN POLICY OF PROTECTION A DEMONSTRATED SUCCESS.

The Republican Party believes in the principle of protection for fostering and building up our industries. I never knew, or at least I never comprehended, the full extent of what was meant by the Democratic doctrine of a tariff for revenue only. I wish to warn the Senators who are going to pass this bill in a few hours that the farmers of this country, and especially of

the western part of the country, from which I come, do not so understand it.

I stood up in the last campaign before farmers, honest men, honest Democrats, who rose up in the audiences and told me I was mistaken when I said that the Democratic Party would put the products that I had named in the speech that I was at that time making on the free list. Under the terms of this bill every single one of them has been placed upon the free list.

If the people of this Nation believe in a tariff for revenue only, your party is going to be kept in power; but if the people of this Nation believe that the industries of this Nation should be protected, you will see four years from now an overwhelming majority for the Republican Party and the protection of the industries of this country.

Mr. LA FOLLETTE. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The Secretary will read the amendment.

The Secretary proceeded to read Mr. LA FOLLETTE's amendment, and read to line 5, on page 7, the entire amendment being as follows:

Amendment in the form of a substitute intended to be proposed by Mr. LA FOLLETTE to the bill (H. R. 3321) to reduce tariff duties and to provide revenue for the Government, and for other purposes, viz: Strike out paragraphs 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 318½, 427½, 652, and 653, and insert in lieu thereof the following:

1. All wools, hair of the camel, Angora goat, alpaca, and other like animals shall be divided, for the purpose of fixing the duties to be charged thereon, into the two following classes:

2. Class 1, that is to say, merino and all wools containing merino blood, immediate or remote, Down clothing wools, and wools of like character with any of the preceding, including Bagdad wool, China lambs' wool, Cactel Branco, Adrianople skin wool, or butcher's wool, and such as have been heretofore usually imported from Buenos Aires, New Zealand, Australia, Cape of Good Hope, Great Britain, Canada, and elsewhere, Leicester, Cotswold, Lincolnshire, Down combing wools, Canadian long wools, or other like combing wools of English blood and usually known by the terms herein used, the hair of the Angora goat, alpaca, and other like animals, and all wools and hairs not hereinafter included in class 2.

3. Class 2, that is to say, Donskoi, native South American, Cordova, Valparaiso, native Smyrna, and all other native, unimproved wools such as have been heretofore usually imported into the United States from Turkey, Greece, Asia, and elsewhere, excepting improved wools hereinafter provided for; and the hair of the camel.

4. The standard samples of all wools which are now or may be hereafter deposited in the principal customhouses of the United States, under the authority of the Secretary of the Treasury, shall be the standards for the classification of wools under this act, and the Secretary of the Treasury is authorized to renew these standards and to make such additions to them from time to time as may be required, and he shall cause to be deposited like standards in other customhouses of the United States when they shall be needed.

5. Whenever wools of class 2 shall have been improved by the admixture of merino or English blood, from their present character as represented by the standard samples now or hereafter to be deposited in the principal customhouses of the United States, such improved wools shall be classified for duty as class 1.

6. The rate of duty on wools and hairs of class 1 shall be 30 per cent ad valorem.

7. Wools and hairs of class 2 shall be free of duty.

8. The rate of duty on wools of class 1 on the skin shall be 27½ per cent ad valorem, the quantity and value of the wool to be ascertained under such rules as the Secretary of the Treasury may prescribe.

9. On top waste, slubbing waste, roving waste, ring waste, and garnetted waste, the rate of duty shall be 27½ per cent ad valorem.

10. On shoddy, wool extract, noils, yarn waste, thread waste, and all other wastes composed wholly of wool or of which wool is the component material of chief value and not specially provided for in this section, the rate of duty shall be 25 per cent ad valorem.

11. On woolen rags, mungo, and flocks, the rate of duty shall be 20 per cent ad valorem.

12. On combed wool or tops, and all wools which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition, not specially provided for in this section, the rate of duty shall be 37½ per cent ad valorem.

13. On carded woolen yarns, made wholly of wool or of which wool is the component material of chief value, the rate of duty shall be 40 per cent ad valorem.

14. On worsted yarns, made wholly of wool or of which wool is the component material of chief value, the rate of duty shall be 42½ per cent ad valorem.

15. On cloths, knit fabrics, flannels, felts, women's and children's dress goods, coat linings, Italian cloths, bunting, and all other manufactures made wholly of wool or of which wool is the component material of chief value and not otherwise specially provided for in this act, valued at not more than 60 cents per pound, 50 per cent ad valorem; valued at more than 60 cents per pound and not more than $1 per pound, 52½ per cent ad valorem; valued at over $1 per pound, 55 per cent ad valorem.

16. On blankets and on flannels for underwear, composed wholly of wool or of which wool is the component material of chief value, the rate of duty shall be 50 per cent ad valorem: *Provided*, That on flannels composed of wool or of which wool is the component material of chief value, valued at over 50 cents per pound, the rate of duty shall be the same as assessed by this schedule on women's and children's dress goods.

17. On clothing, ready made, and articles of wearing apparel of every description, including shawls, whether knitted or woven, and knitted articles of every description made up or manufactured wholly or in part, and not otherwise specially provided for in this act, the rate of duty shall be 55 per cent ad valorem.

18. On webbings, gorings, suspenders, braces, bandings, beltings, bindings, braids, galloons, edgings, insertings, flounces, fringes, gimps, cords, and tassels, ribbons, ornaments, laces, embroideries and all articles embroidered by hand or machinery, head nets, nettings, buttons or barrel buttons or buttons of other forms for tassels or ornaments, and manufactures of wool ornamented with beads or spangles of whatever material composed, any of the foregoing made of wool or of which wool is the component material of chief value, whether containing india rubber or not, the rate of duty shall be 55 per cent ad valorem.

19. On handmade Axminster, Aubusson, oriental, and similar rugs and carpets, made wholly of wool or of which wool is the component material of chief value, the rate of duty shall be 50 per cent ad valorem; on all other carpets and rugs made wholly of wool or of which wool is the component material of chief value, and not otherwise specially provided for in this act, including machine-made Axminster, moquette, chenille, Wilton, Brussels, tapestry, and ingrain carpets and ruggs, 30 per cent ad valorm.

20. Carpets and carpeting of wool, flax, or cotton, or composed in part of any of them, not otherwise specially provided for in this act, and mats, matting, and rugs of cotton, 30 per cent ad valorem.

21. Mats, rugs for floors, screens, covers, hassocks, bed sides, art squares, and other portions of carpets or carpeting made wholly of wool, or of which wool is the component material of chief value, and not specially provided for in this section, shall be subjected to the rate of duty herein imposed on carpets or carpeting of like character or description.

22. Whenever, in any paragraph of this schedule the word "wool" is used in connection with a manufactured article of which it is a component material, it shall be held to include wool or hair of the sheep, camel, goat, alpaca, or other animal, whether manufactured by a woolen, worsted, felt, or any other process.

23. Paragraphs 1 to 11, inclusive, of this schedule shall be effective on and after the 1st day of January, 1914, and shall remain in full force and effect up to and including the 31st day of December, 1914, and paragraphs 12 to 22, inclusive, shall be effective on and after the 1st day of April, 1914, and shall remain in full force and effect up to and including the 31st day of March, 1915.

24. All wools, hair of the camel, angora goat, alpaca, and other like animals, shall be divided, for the purpose of fixing the duties to be charged thereon, into the two following classes:

25. Class 1, that is to say, merino and all wools containing merino blood, immediate or remote, Down clothing wools, and wools of like character with any of the preceding, including Bagdad wool, China lambs' wool, Castel Branco Adrianople skin wool, or butcher's wool, and such as have been heretofore usually imported from Buenos Aires, New Zealand, Australia, Cape of Good Hope, Great Britain, Canada, and elsewhere, Leicester, Cotswold, Lincolnshire, Down combing wools, Canadian long wools, or other like combing wools of English blood and usually known by the terms herein used, the hair of the Angora goat, alpaca, and other like animals, and all wools and hairs not hereinafter included in class 2.

26. Class 2, that is to say, Donskoi, native South American, Cordova, Valparaiso, native Smyrna, and all other native, unimproved such as have been heretofore usually imported into the United States from Turkey, Greece, Asia, and elsewhere, excepting improved wools hereinafter provided for; and the hair of the camel.

27. The standard samples of all wools which are now or may be hereafter deposited in the principal customhouses of the United States, under the authority of the Secretary of the Treasury, shall be the standards for the classification of wools under this act, and the Secretary of the Treasury is authorized to renew these standards and to make such additions to them from time to time as may be required, and he shall cause to be deposited like standards in other customhouses of the United States when they shall be needed.

28. Whenever wools of class 2 shall have been improved by the admixture of merino or English blood, from their present character as represented by the standard samples now or hereafter to be deposited in the principal customhouses of the United States, such improved wools shall be classified for duty as class 1.

29. The rate of duty on wools and hairs of class 1 shall be 25 per cent ad valorem.

30. Wools and hairs of class 2 shall be free of duty.

31. The rate of duty on wools of class 1 on the skin shall be 22½ per cent ad valorem, the quantity and value of the wool to be ascertained under such rules as the Secretary of the Treasury may prescribe.

32. On top waste, slubbing waste, roving waste, ring waste, and garneted waste, the rate of duty shall be 22½ per cent ad valorem.

33. On shoddy, wool extract, noils, yarn waste, thread waste, and all other wastes composed wholly of wool or of which wool is the component material of chief value and not specially provided for in this section, the rate of duty shall be 20 per cent ad valorem.

34. On woolen rags, mungo, and flocks the rate of duty shall be 15 per cent ad valorem.

35. On combed wool or tops, and all wools which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition, not specially provided for in this section, the rate of duty shall be 32½ per cent ad valorem.

36. On carded woolen yarns, made wholly of wool or of which wool is the component material of chief value, the rate of duty shall be 35 per cent ad valorem.

37. On worsted yarns, made wholly of wool or of which wool is the component material of chief value, the rate of duty shall be 37½ per cent ad valorem.

38. On cloths, knit fabrics, flannels, felts, women's and children's dress goods, coat linings, Italian cloths, bunting, and all other manufactures made wholly of wool or of which wool is the component material of chief value and not otherwise specially provided for in this act, valued at not more than 60 cents per pound, 45 per cent ad valorem; valued at more than 60 cents per pound and not more than $1 per pound, 47½ per cent ad valorem; valued at over $1 per pound, 50 per cent ad valorem.

39. On blankets and on flannels for underwear, composed wholly of wool or of which wool is the component material of chief value, the rate of duty shall be 45 per cent ad valorem: *Provided*, That on flannels composed of wool or of which wool is the component material of chief value, valued at over 50 cents per pound, the rate of duty shall be the same as assessed by this schedule on women's and children's dress goods.

40. On clothing, ready-made, and articles of wearing apparel of every description, including shawls, whether knitted or woven, and knitted articles of every description made up or manufactured, wholly or in part, and not otherwise specially provided for in this act, the rate of duty shall be 50 per cent ad valorem.

41. On webbings, gorings, suspenders, braces, bandings, beltings, bindings, braids, galloons, edgings, insertings, flouncings, fringes, gimps, cords and tassels, ribbons, ornaments, laces, trimmings, and articles made wholly or in part of lace, embroideries and all articles embroidered by hand or machinery, head nets, nettings, buttons or barrel buttons or buttons of other forms for tassels or ornaments, and manufactures of wool ornamented with beads or spangles of whatever material composed, any of the foregoing made of wool or of which wool is the component material of chief value, whether containing india rubber or not, the rate of duty shall be 50 per cent ad valorem.

42. On hand-made Axminster, Aubusson, oriental, and similar rugs and carpets, made wholly of wool or of which wool is the component material of chief value, the rate of duty shall be 50 per cent ad valorem; on all other carpets and rugs made wholly of wool or of which wool is the component material of chief value, and not otherwise specially provided for in this act, including machine-made Axminster, moquette, chenille, Wilton, Brussels, tapestry, and ingrain carpets and rugs, 30 per cent ad valorem.

43. Carpets and carpeting of wool, flax, or cotton, or composed in part of any of them, not otherwise specially provided for in this act, and mats, matting, and rugs of cotton, 30 per cent ad valorem.

44. Mats, rugs for floors, screens, covers, hassocks, bed sides, art squares, and other portions of carpets or carpeting made wholly of wool or of which wool is the component material of chief value, and not specially provided for in this section, shall be subjected to the rate of duty herein imposed on carpets or carpeting of like character or description.

45. Whenever, in any paragraph of this act, the word "wool" is used in connection with a manufactured article of which it is a component material, it shall be held to include wool or hair of the sheep, camel, goat, alpaca, or other animal, whether manufactured by a woolen, worsted, felt, or any other process.

46. Paragraphs 24 to 34, inclusive, of this schedule shall be effective on and after the 1st day of January, 1915, and shall remain in full force and effect up to and including the 31st day of December, 1915, and paragraphs 35 to 45, inclusive, shall be effective on and after the 1st day of April, 1915, and shall remain in full force and effect up to and including the 31st day of March, 1916.

47. All wools, hair of the camel, Angora goat, alpaca, and other like animals shall be divided, for the purpose of fixing the duties to be charged thereon, "into the two following classes:"

48. Class 1, that is to say, merino and all wools containing merino blood, immediate or remote Down clothing wools, and wools of like character with any of the preceding, including Bagdad wool, China lamb's wool, Castel Branco, Adrianople skin wool, or butcher's wool, and such as have been heretofore usually imported from Buenos Aires, New Zealand, Australia, Cape of Good Hope, Great Britain, Canada, and elsewhere, Leicester, Cotswold, Lincolnshire, Down combing wools, Canadian long wools, or other like combing wools of English blood and usually known by the terms herein used, the hair of the Angora goat, alpaca, and other like animals, and all wools and hairs not hereinafter included in class 2.

49. Class 2, that is to say, Donskoi, native South American, Cordova, Valparaiso, native Smyrna, and all other native unimproved wools such as have been heretofore usually imported into the United States from Turkey, Greece, Asia, and elsewhere, excepting improved wools hereinafter provided for; and the hair of the camel.

50. The standard samples of all wools which are now or may be hereafter deposited in the principal customhouses of the United States, under the authority of the Secretary of the Treasury, shall be the standards for the classification of wools under this act, and the Secretary of the Treasury is authorized to renew these standards and to make such additions to them from time to time as may be required, and he shall cause to be deposited like standards in other customhouses of the United States when they shall be needed.

51. Whenever wools of class 2 shall have been improved by the admixture of merino or English blood, from their present character as represented by the standard samples now or hereafter to be deposited in the principal customhouses of the United States, such improved wools shall be classified for duty as class 1.

52. The rate of duty on wools and hairs of class 1 shall be 15 per cent ad valorem.

53. Wools and hairs of class 2 shall be free of duty.

54. The rate of duty on wools of class 1 on the skin shall be 12½ per cent ad valorem, the quantity and value of the wool to be ascertained under such rules as the Secretary of the Treasury may prescribe.

55. On top waste, slubbing waste, roving waste, ring waste, and garneted waste the rate of duty shall be 12½ per cent ad valorem.

56. On shoddy, wool extract, noils, yarn waste, thread waste, and all other wastes composed wholly of wool or of which wool is the component material of chief value and not specially provided for in this section, the rate of duty shall be 10 per cent ad valorem.

57. On woolen rags, mungo, and flocks, the rate of duty shall be 10 per cent ad valorem.

58. On combed wool or tops and all wools which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition, not specially provided for in this section, the rate of duty shall be 25 per cent ad valorem.

59. On carded woolen yarns, made wholly of wool or of which wool is the component material of chief value, the rate of duty shall be 30 per cent ad valorem.

60. On worsted yarns, made wholly of wool or of which wool is the component material of chief value, the rate of duty shall be 32½ per cent ad valorem.

61. On cloths, knit fabrics, flannels, felts, women's and children's dress goods, coat linings, Italian cloths, bunting, and all other manufactures made wholly of wool or of which wool is the component material of chief value and not otherwise specially provided for in this act, valued at not more than 60 cents per pound, 40 per cent ad valorem; valued at more than 60 cents per pound and not more than $1 per pound, 42½ per cent ad valorem; valued at over $1 per pound, 45 per cent ad valorem.

62. On blankets and on flannels for underwear, composed wholly of wool or of which wool is the component material of chief value, the rate of duty shall be 40 per cent ad valorem: *Provided*, That on flannels composed of wool or of which wool is the component material of chief value, valued at over 50 cents per pound, the rate of duty shall be the same as assessed by this section on women's and children's dress goods.

63. On clothing, ready-made, and articles of wearing apparel of every description, including shawls, whether knitted or woven, and knitted articles of every description made up or manufactured wholly or in part, and not otherwise specially provided for in this act, the rate of duty shall be 45 per cent ad valorem.

64. On webbings, gorings, suspenders, braces, bandings, beltings, bindings, braids, galloons, edgings, insertings, flouncings, fringes, gimps, cords and tassels, ribbons, ornaments, laces, trimmings, and articles made wholly or in part of lace, embroideries and all articles embroidered by hand or machinery, head nets, nettings, buttons or barrel buttons or buttons of other forms for tassels or ornaments, and manufactures of wool ornamented with beads or spangles of whatever material composed, any of the foregoing made of wool or of which wool is the component material of chief value, whether containing india rubber or not, the rate of duty shall be 40 per cent ad valorem.

65. On hand-made Axminster, Aubusson, oriental and similar rugs and carpets, made wholly of wool or of which wool is the component material of chief value, the rate of duty shall be 50 per cent ad valorem; on all other carpets and rugs made wholly of wool or of which wool is the component material of chief value, and not otherwise specially provided for in this act, including machine-made Axminster, moquette, chenille, Wilton, Brussels, tapestry, and ingrain carpets and rugs, 30 per cent ad valorem.

66. Carpets and carpeting of wool, flax, or cotton, or composed in part of any of them, not otherwise specially provided for in this act, and on mats, matting, and rugs of cotton, 30 per cent ad valorem.

67. Mats, rugs for floors, screens, covers, hassocks, bedsides, art squares, and other portions of carpets or carpeting made wholly of wool or of which wool is the component material of chief value, and not specially provided for in this section, shall be subjected to the rate of duty herein imposed on carpets or carpeting of like character or description.

68. Whenever, in any paragraphs of this schedule, the word "wool" is used in connection with a manufactured article of which it is a component material it shall be held to include wool or hair of the sheep, camel, goat, alpaca, or other animal, whether manufactured by a woolen, worsted, felt, or any other process.

69. Paragraphs 47 to 57, inclusive, of this schedule shall be effective on and after the 1st day of January, 1916, and paragraphs 58 to 68, inclusive, shall be effective on and after the 1st day of April, 1916.

Mr. LA FOLLETTE. Mr. President, first I will make a statement, and then I will make a request for unanimous consent.

The remaining paragraphs of this schedule repeat the paragraphs which have been read by the Secretary from the first paragraph to paragraph 22, with the exception that the paragraphs which have been read by the Secretary from 1 to 22 start with a duty of 30 per cent on raw wool and on this base fix upon the manufactured products of wool a duty measured according to the difference in the cost of production between this and competing countries.

Paragraph 23 provides that this 30 per cent duty on raw wool shall remain in full force and effect from January 1, 1914, up to and including the 31st day of December, 1914; and the paragraphs numbered 12 to 22, inclusive, which fix the rates upon the manufactures of wool, upon the 30 per cent raw-wool basis, shall become effective April 1, 1914, and remain in effect up to and including March 31, 1915.

The remaining portions of the amendment consist of two complete schedules for this division of the tariff bill.

On the next one I start with a base-line duty of 25 per cent on raw wool, and all the duties upon the manufactured products of wool are scaled down to be in agreement with that rate. I provide that those duties, based upon the 25 per cent rate on raw wool, shall take effect immediately after the expiration of the duties in the schedule that are based upon the 30 per cent rate, and are to remain in effect up to and including December 31, 1915. The rates on manufactures to become effective April 1, 1915, and to remain in effect up to and including March 31, 1916.

The third division of the amendment repeats in exact language the provisions which have been read, except that the duty upon raw wool is fixed at 15 per cent and the duty on all the manufactured products is scaled down to that base line. These duties represent the protection that the manufacturers should receive, and, according to the best information we have, measure exactly, with raw wool at 15 per cent, the difference in the cost of production from the raw wool to the finished product. The 15 per cent rate on wool is to become effective January 1, 1916, and the rates on the manufactures of wool on the 15 per cent raw-wool base are to become effective April 1, 1916.

Mr. President, I have made this statement to save the time of the Senate, and I ask unanimous consent that the further reading of the amendment may be dispensed with.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. STONE. When is it to go into effect?

Mr. LA FOLLETTE. The 30 per cent amendment goes into effect the 1st day of January, 1914, and continues in effect up to and including December 31, 1914; the 25 per cent schedule goes into effect January 1, 1915, and is to continue in effect up to and including December 31, 1915; the 15 per cent provision goes into effect January 1, 1916, and to continue in effect. Upon the manufactured products the rates of the 30 per cent bill become effective April 1, 1914; the 25 per cent bill April 1, 1915; and the 15 per cent bill April 1, 1916.

Mr. SIMMONS. I understand that the amendment offered by the Senator from Wisconsin, which has been read, is offered as a substitute for Schedule K in the pending bill.

Mr. LA FOLLETTE. It is, sir.

Mr. SIMMONS. The Senator is merely explaining his own substitute.

Mr. LA FOLLETTE. Yes, sir. After the complete reading of the first division of the amendment, that being a complete Schedule K, based upon a duty of 30 per cent ad valorem upon the raw wool, I was asking unanimous consent to dispense with the reading of the latter part of the amendment, as it repeats the first division twice, once with a series of rates having a 25 per cent ad valorem duty on the raw wool as a base and again with 15 per cent as the basic duty.

Mr. SIMMONS. That part of it I understand, and there is no objection to granting unanimous consent.

The VICE PRESIDENT. Unanimous consent has been given and the reading of the remainder of the amendment is dispensed with. It will be printed in full in the RECORD.

Mr. LA FOLLETTE. Mr. President, I shall later have other amendments to submit, but what I have to say now pertains to Schedule K, and I shall address myself solely to this amendment.

HOW SCHEDULE K WAS FRAMED.

Schedule K has justly received the severest criticisms that have been leveled against the protective system. This schedule was framed as a result of a coalition between the woolgrowers and the wool manufacturers. The mill owner and the sheep owner united to frame a schedule which would protect the interests of both. Its terms were so complicated, so technical, so obscure, as to baffle general understanding and criticism for many years. They contrived a mixture, a blend of duties, compensatory and protective, specific and ad valorem, so compounded with mysterious proportions and equivalents and false assumptions as to afford a complete mask and cover, behind which they have exacted tribute at will from the American people.

The manufacturers agreed to support such duties on wool as were satisfactory to woolgrowers, and the woolgrowers agreed in return to support such compensatory and protective duties as were satisfactory to the manufacturers, but in the combination the woolgrowers were overreached and defrauded by the manufacturers, who were masters of their craft in all its detail.

The duties on wool were made to appear much higher than they are. The duties on the manufactures of wool were obscured and concealed in the technical terms of the law. The woolgrower was fooled; the public was victimized.

Contemplate for a moment the scheme or plan upon which this schedule is constructed. Two duties are imposed upon all manufactures of wool.

First. A compensatory duty supposed to equal the amount of duty imposed upon the quantity of raw wool contained in a manufactured article.

Second. In addition to this compensatory duty there is levied the so-called protective duty. This protective duty is presumed to measure the difference in the cost of producing the manufactured article in this and the competing foreign country.

The compensatory duty professedly gives the American manufacturer his raw wool on terms of equality with his foreign competitor who has free wool.

The manufacturers and the woolgrowers agreed that a duty of 11 cents a pound on wool of the first class was necessary to protect the woolgrower. Then the manufacturers claimed that it required 2½ pounds of that grade of wool in the grease to make a pound of yarn valued at 30 cents a pound or less, and that it required 3½ pounds of wool of the first class to make a pound of yarn valued at more than 30 cents per pound, and that it was necessary for them to receive as a compensatory duty 27½ cents per pound for yarn worth 30 cents a pound or less, and 38½ cents per pound as a compensatory duty for yarn valued at more than 30 cents per pound.

In addition to this they claimed that it required 35 per cent on yarns valued at 30 cents per pound or less and 40 per cent on yarns valued at more than 30 cents per pound as a duty to protect them in converting the wool into yarn.

The manufacturers likewise claimed that it required 3 pounds of wool of the first class in the grease to make a pound of cloth valued at 40 cents per pound or less, and that it required 4 pounds of wool of the first class in the grease to make a pound of cloth valued above 40 cents per pound. In other words, they claimed that they required a compensatory duty to the amount of 33 cents per pound on cloth valued at less than 40 cents per pound and 44 cents per pound on all cloth valued at more than 40 cents per pound.

In addition to this they claimed that it required as a duty to protect them in converting the yarn into cloth 50 per cent on all cloth worth 70 cents a pound or less and a protective duty of 55 per cent on all cloth valued at more than 70 cents per pound.

Now, then, having agreed between themselves upon these compensatory and these protective duties and this duty on raw wool, the woolgrower and the woolen manufacturers joined forces and they succeeded in having those duties enacted into law. They organized national associations which formed alliances as with other associations whose interests were kindred to their interests, so that back of Schedule K was the most powerful organization in all the tariff history of this country, the most powerful organization behind any of the schedules.

Having at an early day formed this combination they selected representatives of their organization to appear before congressional committees to secure for the benefit of the woolgrowers legislation that would insure to them the duties agreed upon between themselves and the manufacturers, and to secure for the benefit of the manufacturers these double duties which had been agreed upon by this combination.

I say to you that out of an experience on tariff legislation reaching back to my young manhood, when as a member of the Committee on Ways and Means I helped to frame the McKinley tariff bill, I have never seen nor have I read of a more potential and forceful organization for securing that which it wanted than this combination between the woolgrowers and the woolen manufacturers of the United States. Before I have concluded this afternoon I trust it will be made plain to so many Senators as choose to honor me with their attention that that agreement was conceived in fraud and executed in fraud.

CONSTRUCTED ON FALSE BASE.

Whether the protective duties as fixed at the time were unreasonably high does not matter now; that they have become extravagantly excessive is susceptible of proof. And that the compensatory duties were out of all proportion is beyond dispute. The claim as to the quantity of wool required to make a pound of yarn and a pound of cloth was false, and throughout all the years the consumers have been compelled to pay unreasonable prices upon woolen goods because of these duties.

Every yard of cloth assessed at the customhouses, in which wool is the component material of chief value, is weighed and taxed as though it were all wool, and 4 pounds of wool in the grease per pound of cloth had been required in its manufacture; that is, it is taxed 44 cents per pound, even when more than half the weight of the cloth is composed of cotton.

As an example of the reprehensible character of these compensatory duties, I cite a case reported by Mr. N. I. Stone, formerly chief statistician of the Tariff Board, in his excellent article on Schedule K, published in the Century Magazine for May, 1913. Mr. Stone says:

> The law takes no account of the admixture of materials other than wool of which the cloth is made. A worsted may contain cotton to the extent of one-half or more of its total weight, yet the worsted manufacturer is allowed 44 cents a pound "compensation" on the entire weight of the cloth.
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> Mr. Dale, editor of The Textile World Record, quotes a typical instance of a cotton worsted. In turning out 8,750 pounds of this cloth 3,125 pounds of raw wool were used, the remainder being cotton. Assuming that the price of the wool in this country was enhanced to the extent of the duty of 11 cents a pound, the manufacturer would be entitled to a compensatory of 3,125 times 11, or $343.75.
>
> But the law, on the four-to-one theory, allows a compensatory duty of 44 cents per pound of cloth, or 8,750 times 44, which is equal to $3,850. The manufacturer is thus granted an extra protection of more than three and one-half thousand dollars in the guise of compensation for the duty on wool which never entered the cloth.

Mr. President, the indefensible character of these rates was shown by the report of the Tariff Board on Schedule K. It is there shown that the average value of yarn per pound, imported in 1909, was 26 cents; in 1910, 22 cents; in 1911, 24 cents. The compensatory duty alone upon these yarns was more than 100 per cent. Added to that was the protective duty. The ad valorem rate on yarns imported into the United States during the fiscal year ending June 30, 1911, as computed by the Tariff Board, was from 76.61 per cent on yarns valued at more than 30 cents per pound, to 149.19 per cent on yarns valued at not more than 30 cents per pound. Upon fabrics valued at 40 cents a pound or less, the cheaper goods worn by the poorer people, the Tariff Board computes the duty 149.59 per cent; valued at more than 40 and not more than 70 cents per pound, 123.71 per cent. Here again, as in the case of yarns, the cheaper the goods the higher the duty.

It has always been contended by the advocates of Schedule K that these excessive duties on the cheaper yarns and cloths were justifiable, for the purpose of excluding goods made of shoddy and other wool substitutes. But with the high prices prevailing

on woolen goods, many people are compelled to buy fabrics made from wool substitutes. As stated by the Tariff Board—

> They meet a market demand, which is fixed by the amount the purchaser is able to pay, and the real question is not whether they shall be used in the United States, but who shall produce them.

It is well known that the profit on the cheaper grades is relatively greater than on the higher priced fabrics. And the maintenance of these prohibitory duties on the coarser wools, yarns, and fabrics not only compel people of limited means to use goods made of shoddy and other wool substitutes by American manufacturers, but compel them to pay very dearly for them.

Schedule K takes good care that the American manufacturer of shoddy shall have this market exclusively and under such extortionate rates as enables him to make a round profit out of those who are so unfortunate as to be compelled to wear shoddy, or short-lived cotton worsted. Except for the prohibitory duties on the coarser wools, yarns, and fabrics, the poorer people of this country could be clothed in the durable, warm, though coarse woolen cloth which the workingman of Great Britain and on the Continent can afford to wear.

It is largely the concealed protection in the compensatory duties that makes the tariff so high as to shut out goods of this class. As shown by the report of the Tariff Board, page 124, the compensatory duty on goods valued at 40 cents or less per pound was 99.59 per cent of their total value—just the compensatory duty alone, to say nothing of the protective duty that was added to it.

The compensatory duty on dress goods is more burdensome even than that on cloth. By way of illustrating that the compensatory duty falls as a heavier burden on the low and medium than on the high grades I submit a table, which shows, classified according to value, the imports in 1912 of yarns, blankets, and cloths. The quantity of each class imported and the computed ad valorem rates tell the whole story.

For example, cloths valued at not more than 40 cents per pound pay a duty of 144.79 per cent; cloths valued at more than 40 cents per pound and not more than 70 cents per pound pay a duty of 124.51 per cent; and cloths valued at above 70 cents per pound pay a duty of 93.23 per cent.

The importations under the highest classification were comparatively large, being valued at $4,513,584. The average value per pound was $1.15. These were the fine goods, which compete only slightly with any American product.

I ask, Mr. President, without reading it in detail, to present here a table taken from the report of the Tariff Board which brings out in graphic form the proposition which I am now arguing to the Senate.

The VICE PRESIDENT. Without objection, the table referred to will be printed in the RECORD.

The table referred to is as follows:

Imports entered for consumption—Year ending June 30, 1912.

Articles.	Rates of duty.	Quantities.	Values.	Duties.	Value per unit of quantity.	Actual and computed ad valorem rate.
Yarns made wholly or in part of wool:						
Valued not more than 30 cents per pound (pounds)	27½¢ lb.+35%	323.50	$83.90	$118.36	$0.259	141.07
Valued more than 30 cents per pound (pounds)	38½¢ lb.+40%	60,706.73	59,386.26	47,126.75	.978	79.36
Total yarns (pounds)		61,030.23	59,470 16	47,245.11	.974	79.44
Blankets:						
Valued at not more than 40 cents per pound (pounds)	22¢ lb.+30%	1,821.00	603.90	581.80	.332	96.34
Valued at more than 40 and not more than 50 cents per pound (pounds)	33¢ lb.+35%	1,131.60	539.05	562.11	.476	104.28
Valued at more than 50 cents per pound (pounds)	33¢ lb.+40% D. R., for. min.	39,421.27 22.00	45,677.88 32.00	31,280.49	1.16 1.45	68.48
More than 3 yards in length—						
Valued at not more than 40 cents per pound (pounds)	33¢ lb.+50%	244.00	53.00	107.03	.217	201.94
Valued at above 40 and not above 70 cents per pound (pounds)	44¢ lb.+50%	2,495.75	1,482.00	1,839.13	.594	124.10
Valued at over 70 cents per pound (pounds)	44¢ lb.+55%	3,273.46	3,618.35	3,430.42	1.11	94.81
Total blankets (pounds)		48,409.08	52,006.18	37,800.98	1.07	72.69
Cloths, woolen or worsted:						
Valued at not more than 40 cents per pound (pounds)	33¢ lb.+50%	10,123.38	3,524.30	5,102.89	.348	144.79
Valued at more than 40 and not more than 70 cents per pound (pounds)	44¢ lb.+50%	282,239.56	166,659.47	207,515.18	.59	124.51
Valued at above 70 cents per pound (pounds)	44¢ lb.+55%	3,921,317.61	4,513,584.12	4,207,851.06	1.15	93.23
Total cloths, woolen or worsted (pounds)		4,213,680.55	4,683,767.89	4,420,469.13	1.11	94.38

Mr. LA FOLLETTE. Mr. President, that the duties on Schedule K are practically prohibitory is shown conclusively by the table found in the Report of the Tariff Board, page 190, which I herewith submit. This table gives the principal classes of goods affected by the duties of Schedule K, namely, (a) woolen and worsted cloth, (b) blankets and flannels, (c) dress goods, (d) carpets, and (e) rugs. In each class it gives the total value of the production, the total value of the imports, and the percentage which each bears to the whole.

In almost every case the imports, as will be seen by the percentage, are practically negligible. Relatively almost nothing is able to get it over the tariff barrier.

The text which accompanies the Tariff Board's table explains it fully, and therefore I will take the liberty of asking that the text be printed in connection with the table. I will only pause, Mr. President, to read from this table the percentages. Of woolen and worsted cloth the production in the United States was $181,217,156, and the imports were $4,777,447, or 2.57 per cent. There was not much doubt about the height of the tariff wall at that point on those goods. Of blankets and flannels the total production of this country was $10,566,965, and the imports $125,147, or 1.17 per cent. That surely is as near prohibitory as you could make it, Mr. President.

Some of my friends on the Republican side may be querying in their minds as to why I am dwelling upon the existing law. The reason will appear from time to time as I present my amendments and submit my arguments in the course of this debate.

The dress-goods production in this country was, in 1909, $98,239,275; the imports, $7,019,284, or 6.67 per cent. The production of carpets was $48,475,889, and the imports $195,108, or four-tenths of 1 per cent. On rugs it is a little better, something nearer a fairer measure of duty, judged solely by the imports, the total production being $18,490,449 and the total imports $3,553,448, or 16.12 per cent. Taking the schedule as a whole it may fairly be said to be prohibitive in its duties. Large importations are made in some particular line for special purposes to meet special demands, and would be made no matter what the duties were. I now ask that the entire table and text accompanying it may be printed in the RECORD.

The VICE PRESIDENT. In the absence of objection, permission is granted.

The matter referred to is as follows:

Imports and production of manufactures of wool compared: Comparison of production and imports of manufactures of wool can be made only by values, for the units of quantity vary. Comparisons by value always favor imports, because, as has been pointed out repeatedly in this report, the average value of the goods imported is higher than the average value of goods produced in the United States. This fact should be kept in mind in studying the table which follows. Table 163 presents the imports and production in 1909 of certain manufactures of wool and also the percentage which each is of the total of the two.

Production and imports of specified wool products in the United States in 1909 and the percentage which each is of the total of the two.

Item.	Value.	Per cent of total.
Woolen and worsted cloth, production and imports	$185,994,603	100.00
Production	181,217,156	97.43
Imports	4,777,447	2.57
Blankets and flannels, production and imports	10,692,112	100.00
Production	10,566,965	98.83
Imports	125,147	1.17
Dress goods, production and imports	105,258,559	100.00
Production	98,239,275	93.33
Imports	7,019,284	6.67
Carpets, production and imports	48,670,997	100.00
Production	48,475,889	99.60
Imports	195,108	.40
Rugs, production and imports	22,043,897	100.00
Production	18,490,449	83.88
Imports	3,553,448	16.12

The production and imports of woolen and worsted cloth for the United States in 1909 was valued at $185,994,603; 97.43 per cent of this was domestic production and 2.57 per cent was imports. The imports were substantially all under the highest-value classification of paragraph 378.

The production and imports of blankets and flannels for the United States in 1909 was valued at $10,692,112; 98.83 per cent of this was domestic production and 1.17 per cent of it was imports.

The production and imports of dress goods for the United States in 1909 was valued at $105,258,559; 93.33 per cent of this was domestic production and 6.67 per cent was imports. The imports included both the low and high grade dress goods.

The production and imports of carpets for the United States in 1909 was $48,670,997, 99.60 per cent of this was domestic production and 0.40 per cent was imports.

The production and imports of rugs for the United States in 1909 was $22,043,897; 83.88 per cent of this was domestic production and 16.12 per cent was imports. The imports consisted chiefly of expensive oriental rugs valued abroad at over $4 per square yard. The average value per square yard of rugs produced in the United States in 1909 was 77 cents. (Tariff Board report on Schedule K, pp. 190–191.)

Mr. LA FOLLETTE. On Schedule K, as on every other, the basis of the arguments made by the manufacturers for high duties heretofore and now is the difference in the wage scales of this and the competing countries.

Turn to the hearings conducted by any committee that has considered a tariff bill and for the most part the argument presented by the manufacturers who appeared contending for the duties which they demanded is simply that the wages in this country are so much and the wages in the competing country are so much; and, in so far as any attention has been given to the figures at all, that has been almost exclusively the basis upon which tariffs have been framed.

"We pay our labor twice as much as the woolen manufacturers on the other side" is a statement that runs through all of the tariff hearings on Schedule K, and indeed in modified form upon every other schedule of the tariff bill. Tables are abundantly furnished, showing the difference in the wage scales of the United States and Great Britain on each operation necessary to convert wool into cloth. It is, as a rule, a most misleading form of argument.

The efficiency of the labor is the vital thing. The wage scale is only a factor. I may pay a cheap, bungling workman $1 per day. My competitor across the street may pay his workman $3 per day; and by his superior skill and intelligence, combined with up-to-date mechanical devices and methods, his output may surpass mine both as to quality and quantity and at a less cost per unit of product.

And so I say it is time to demand something more than a mere statement of the difference in wages paid in this and foreign countries.

I digress for a moment to say in this connection what I have said many times before in the course of tariff debates, that the direct and almost certain effect of prohibitory duties, the pampering and coddling of overprotected industries, is to take away all incentive for advanced modern methods and higher efficiency. The excessive duties of Schedule K show in a marked degree this tendency. While we have in this country many highly efficient establishments under progressive and far-seeing management, nevertheless the blighting influence of overprotection is found in a great majority of the woolen-manufacturing establishments of the country.

The Tariff Board in its report on wool examined this question of efficiency in the different establishments investigated.

Industrial efficiency is a large question in itself. A great many elements of far-reaching importance must be weighed carefully in connection with any adequate consideration of the subject. And it is not practical to go into it fully at this time. A study of the report of the Tariff Board, however, with an analysis of the tables in which is gathered the results of their investigation, tends to prove that the establishments paying the highest wages were producing at the lowest cost.

On this subject of productive efficiency, labor cost, average wages, and their relation to output, I quote again from Mr. Stone, chief statistician of the Tariff Board:

In wool scouring, the lowest average wage paid to machine operatives in the 30 mills examined was found to be 12.16 cents per hour—

Now, mark that. I repeat it:

In wool scouring, the lowest average wage paid to machine operatives in the 30 mills examined was found to be 12.16 cents per hour, and the highest 17.79. Yet the low-wage mill showed a labor cost of 21 cents per 100 pounds of wool, while the high-wage mill had a cost of only 15 cents. One of the reasons for this puzzling situation was that the low-wage mill paid 9 cents per 100 pounds for supervisory labor, such as foremen, etc., while the high-wage mill paid only 6 cents. Apparently well-paid labor needs less driving and supervising than low-paid labor.

The Tariff Board conducted its investigations still further. This was the scouring process for wools. Next Mr. Stone says:

In the carding department of 17 worsted mills the mill paying its machinery operatives an average wage of 13.18 cents per hour had a machine labor cost of 4 cents per 100 pounds, while the mill paying its machine operatives only 11.86 cents per hour had a cost of 25 cents per 100 pounds. This was due largely to the fact that the low-cost high-wage mill had machinery enabling every operator to turn out more than 326 pounds per hour, while the high-cost low-wage mill was turning out less than 48 pounds per hour.

The same tendency was observed in the carding departments of 26 woolen mills. The mill with the highest machine output per man per hour, namely, 57.7 pounds, had a machinery-labor cost of 23 cents per 100 pounds, while the mill with a machine output of only 6 pounds per operative per hour has a cost of $1.64 per 100 pounds. Yet this mill, with a cost seven times higher than the other, paid its operatives only 9.86 cents per hour, as against 13.09 cents paid by its more successful competitor.

These examples could be repeated for every department of woolen and worsted mills, but will suffice to illustrate the point that higher wages do not necessarily mean higher costs. They show that mill efficiency depends more on a liberal use of the most improved machinery than on low wages. Thoughtful planning in arranging the machinery to save necessary steps to the employees, careful buying of raw materials, the efficient organization and utilization of the labor force in the mill, systematic watching of the thousands of details, each affecting the cost of manufacture, will reduce costs to an astonishing degree. When the board, therefore, states that the labor cost of production in this country is, on the average, about double that in foreign countries, we must bear in mind the difference in costs in our own country and the causes to which high costs are due. The fact is that the woolen industry, being one of the best, if not the best protected industry in the country, shows an exceptional disposition to cling to old methods and to use machinery which long ago should have been consigned to the scrap heap. That is where the chief cause of the comparatively high cost of production in a large part of the industry is to be looked for.

Mr. President, the next point to which I wish to direct the attention of the Senate is the results of this schedule, which is the existing law, and which, as preliminary to what I have to say upon the existing schedule, I take the time of the Senate to present. The next step to which I wish to direct their attention is a scientific test of the operation of the terms of this law upon this industry.

I have mentioned to the Senate the fact that it has been my privilege to enjoy what I esteem to be rather exceptional advantages for the investigation of the subjects—or, at least, some of them—covered by this great bill. Not all the Senators upon this floor, I know, would count it as any advantage; but I have esteemed it so. In this sort of legislation, as in all legislation which affects the economic life of the American people, I believe in thoroughgoing, scientific investigation; and knowing that we had a board or commission that had studied this subject, and believing that they had investigated many of the schedules upon which, perhaps, their investigation had not progressed to the point where they could make report, but that they had accumulated a large amount of valuable material, I undertook to locate whatever the Tariff Board, when it went out of existence, had left as a sort of heritage to anyone who might be interested in what it had done in its somewhat short life.

I found that there was a room set apart in the Treasury Building in which were stored all of the papers and all of the data of the Tariff Board, their finished and unfinished work, their original investigations, upon which were based the reports which they did make to Congress.

It seemed to me, with my views of tariff making, wrong that that great work, upon which had been expended so much intelligent investigation, at such large expenditure of the people's money, should be altogether wasted, excepting as to that which had been reported to Congress and was public property; for I felt that in their unfinished work would be found much valuable material which could be carried forward and applied to the great subject of legislation which this Congress was convened in extra session to consider.

So I undertook to secure the opportunity to see that material, and I was finally accorded access to it by the President's order. I then secured the services of men who had been employed by the Tariff Board in investigative work; and the chairman of the Tariff Board, Prof. Emery, was kind enough to come here and sit down with us for a day and go over this material, and put his estimate upon that which was far enough along in investigation to make it useful and helpful to be carried on further. I had the assurance of the chairman of the Tariff Board that the very men whose cooperation and assistance I had secured were the men upon whom, among others—but he distinguished them especially—he had placed the utmost reliance and upon whom he had laid the very heaviest responsibilities. With respect to this particular schedule, I have had the assistance of the man who wrote the first volume of the report for the Tariff Board upon that schedule. Not only upon these schedules upon which they made report have I been able to get very material assistance, but upon many phases of legislation covered by this bill I have been very greatly helped in arriving at my conclusions by the fact that I had access to the Tariff Board files and had the assistance of such able men.

Mr. President, I have here not a great graphic chart like that which hangs on the wall, but I have a table which will present

and graphically portray the facts to you, if you will take the pains to examine it in the RECORD when it is printed. I have not reduced it to the form of that hanging on the wall of this Chamber. I wish I had been able to do so, for it is a most interesting and instructive portrayal of Schedule K.

It shows the duties on the Tariff Board's woolen and worsted samples under the Payne-Aldrich law compared with the difference in conversion cost and compensatory duties as found by the Tariff Board and applied by the expert who prepared the report on the wool schedule.

I have here before me the samples, nearly 50 in number, which are known as the Tariff Board's woolen and worsted samples. They are samples of cloth manufacture embraced in Schedule K, which are typical of the whole industry. These are the identical original samples which the Tariff Board obtained the costs upon. The table which I hold in my hand I ask leave to insert in the RECORD with the explanatory matter which accompanies it and which will aid those who wish to comprehend it in all its details.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and permission is granted.

Mr. LA FOLLETTE. This table which follows is a comparison of the duties on all of the Tariff Board samples excepting three or four which could not be included in either the map or chart hung upon the wall or in my table, for reasons given below. But it is upon all of the other samples of the Tariff Board. It compares the duties of the Payne-Aldrich law with the difference in conversion cost and compensation required as found by the Tariff Board.

The samples omitted from the table fall into one of the following classes:

(a) Dress goods weighing less than 4 ounces to the square yard were excluded.

(b) In some cases the board's figures were incomplete, so that all the factors necessary for the calculation were not present. For example, the total English cost for sample 11 is not given.

(c) The table is based on the difference in conversion cost between England and the United States. On a few of the samples the board obtained no English cost, but only the French or German costs. This is true, for example, of samples 40 and 43.

Duties on Tariff Board woolen and worsted samples under the Payne-Aldrich law compared with the difference in conversion cost and compensatory duties as found by the Tariff Board.

Sample No.	Kinds of cloth.	1 Weight in ounces per yard.	2 Price per pound.	3 Compensatory duty in Payne-Aldrich bill.	4 Ad valorem duty in Payne-Aldrich bill.	5 Ad valorem duty in Payne-Aldrich bill.	6 Total duty under Payne-Aldrich bill per pound.	7 Difference in conversion cost per pound.	8 Compensatory duty recommended by Tariff Board on basis of 18 cents per pound on the scoured content of wool.	9 Total duty and compensation required, according to Tariff Board.	10 Excess of Payne-Aldrich ad valorem duties over duty necessary to cover conversion cost. (5–7.)	11 Excess of total Payne-Aldrich duties over total necessary duties, according to Tariff Board. (6–9.)
				Per lb.	*Per cent.*							
1	Worsted Panama cloth	4.2	$0.6872	$0.44	50	$0.3436	$0.7836	$0.2656	$0.26	$0.5256	$0.0780	$0.2580
2	Fancy cotton worsted	6.7	.6285	.44	50	.3143	.7543	.1394	.26	.3994	.1749	.3549
4	Women's cotton warp sacking	8.5	.3971	.33	50	.1986	.5286	.1184	.26	.3784	.0802	.1502
6	All-wool Panama	4.7	1.1489	.44	55	.6319	1.0719	.4092	.26	.6692	.2227	.4027
8	Women's homespun	8.2	.7774	.44	55	.4276	.8676	.2006	.26	.4606	.2270	.4070
9	Woolen tweed	12.2	.6368	.44	50	.3184	.7584	.1706	.26	.4306	.1478	.3278
10	Women's all-wool blue serge	7.5	.8467	.44	55	.4657	.9057	.3295	.26	.5895	.1362	.3162
12	Women's worsted serge	9.0	.7209	.44	55	.3965	.8365	.2763	.26	.5363	.1202	.3002
13	Men's fancy woolen suiting	16.0	.3905	.33	50	.1953	.5253	.1295	.26	.3895	.0658	.1358
14	Fancy woolen overcoating	18.5	.4116	.44	50	.2058	.6458	.1347	.26	.3947	.0711	.2511
15	Women's worsted cheviot	10.0	.6869	.44	50	.3435	.7835	.2817	.26	.5417	.0618	.2418
16	Covert cloth	11.6	.7731	.44	55	.4252	.8652	.2177	.26	.4777	.2075	.3875
17	Women's all-wool sacking	10.5	.8356	.44	55	.4596	.8996	.2223	.26	.4823	.2373	.4173
20	Women's all-wool broadcloth	9.3	1.0181	.44	55	.5600	1.0000	.3040	.26	.5640	.2560	.4360
21	Fancy woolen overcoating	16.0	.5166	.44	50	.2583	.6983	.1676	.26	.4276	.0907	.2707
22	Men's blue serge	14.0	.6594	.44	50	.3297	.7697	.2250	.26	.4850	.1047	.2847
23	Men's blue worsted serge	12.0	.7364	.44	55	.4050	.8450	.2783	.26	.5383	.1267	.3067
24	Fancy cotton-warp worsted	13.0	.9496	.44	55	.5223	.9623	.2008	.26	.4608	.3215	.5015
25	Fancy cassimere	16.0	.6423	.44	50	.3212	.7612	.1852	.26	.4452	.1360	.3160
26	Cotton-warp worsted	11.2	.8687	.44	55	.4778	.9178	.2927	.26	.5527	.1851	.3651
27	Women's cheviot	13.0	.6888	.44	50	.3444	.7844	.2633	.26	.5233	.0811	.2611
28	Men's fancy woolen suiting	13.0	.5900	.44	50	.2950	.7350	.2419	.26	.5019	.0531	.2331
30	Fancy worsted	14.0	.9414	.44	55	.5178	.9578	.2854	.26	.5454	.2324	.4124
32	Fancy fine woolen	12.0	.7844	.44	55	.4314	.8714	.3295	.26	.5895	.1019	.2819
33	Covert wool cloth	14.0	.9176	.44	55	.5047	.9447	.2770	.26	.5370	.2277	.4077
34	Fancy worsted suiting	11.5	.7701	.44	55	.4236	.8636	.3548	.26	.6148	.0688	.2488
36	Men's blue serge	18.0	1.1489	.44	55	.6319	1.0719	.2585	.26	.5185	.3734	.5534
37	Men's black clay worsted	16.0	.9895	.44	55	.5442	.9842	.2715	.26	.5315	.2727	.4527
38	Fancy worsted suiting	11.5	1.2140	.44	55	.6677	1.1077	.3920	.26	.6520	.2757	.4557
41	Black thibet cloth	17.0	.7752	.44	55	.4264	.8664	.1826	.26	.4426	.2438	.4238
42	Men's light-weight blue serge	13.0	1.2293	.44	55	.6761	1.1161	.4179	.26	.6779	.2582	.4382
44	Woolen overcoating	24.0	.8257	.44	55	.4541	.8941	.1983	.26	.4583	.2558	.4358
45	Men's fancy half-worsted suiting	13.2	1.3548	.44	55	.7451	1.1851	.3800	.26	.6400	.3651	.5451
46	Uniform cloth	21.0	.9844	.44	55	.5414	.9814	.2160	.26	.4760	.3254	.5056
47	Black unfinished worsted	15.0	1.1471	.44	55	.6309	1.0709	.3869	.26	.6469	.2440	.3940
48	Men's unfinished worsted	14.0	1.0998	.44	55	.6049	1.0449	.3918	.26	.6518	.2121	.3931
49	Men's serge	13.0	1.1050	.44	55	.6078	1.0478	.4100	.26	.6700	.1978	.3778
52	Silk-mixed worsted	14.2	1.6642	.44	55	.9153	1.3553	.6542	.26	.9142	.2611	.4411
53	Men's unfinished worsted	14.5	1.6000	.44	55	.8800	1.3200	.6783	.26	.9383	.2017	.3817

The foregoing table contains representative samples of all the woolen worsted goods worn by men and women. They may be classified as follows:

(a) Staples and piece-dyed fabrics are represented by samples 37, 41, 44, 46, 47, 48, and 53. These goods are staple products and represent a line little affected by fashion. They are often woven from the gray yarn and then dyed a uniform color. They include fabrics light enough for suiting and heavy enough for overcoating.

(b) Serges are represented by samples 12, 22, 23, 36, 42, and 49. These goods are a well-known standard product, worn both by men and women. Mills have standard serge patterns which they run year after year. They are usually piece dyed.

(c) Fancy woolens are represented by samples 9, 13, 14, 21, 25, 28, and 32. Many of these fabrics contain shoddy, noils, and waste, but they are substantial fabrics and worn by the poorer classes in our communities. They can not be imported under the Payne-Aldrich rates. They include woolen tweeds, woolens with cotton warp, fancy woolen overcoating, and cassimeres.

(d) Fancy worsteds are represented by samples 30, 34, 38, 45, and 52. These are the fine worsteds made each year to meet the demands of fashion. At the present time these goods are more in vogue than fancy woolens. They are figured with some pattern, usually a stripe, and they often contain silk decoration, as sample 52.

(e) Women's wear goods are represented by samples 8, 15, 16, 17, 20, 27, and 33. In this class fall the heavier woolen and worsted goods used by women for suits or skirts. The samples are representative of the great bulk of goods used by women for these uses. They include homespun weaves, cheviots, covert cloth, sacking, and broadcloth.

(f) Lightweight women's wear goods are represented by samples 1, 6, and 10. These goods are the lightweight goods used by women for overskirts or even for lightweight suits. It includes lightweight serges and particularly Panama cloth, such as samples 1 and 6. Panamas like sample 1 have a low cost of production and are produced by the mile.

(g) Cotton-warp goods are represented by samples 2, 4, 24, and 26. These goods represent cheap production. The cotton

warp makes it possible to run a number of looms to one weaver. Far more of them are produced in the United States than abroad, and in a large degree they are used by our poorer classes where people of like social position abroad would use shoddy goods. They have a better appearance than shoddy goods, but they are not nearly so serviceable. They can not be imported under the Payne-Aldrich rates.

The method by which the difference in conversion cost was arrived at in the foregoing table is explained fully in the following quotation from an article by W. S. Culbertson, "The Tariff Board and Wool Legislation," which was published in the American Economic Review, March, 1913, and subsequently as House Document No. 50, Sixty-third Congress, first session:

WOOLEN AND WORSTED FABRICS.

When the question of the duty on woolen and worsted fabrics is taken up, a field is entered upon vastly more complicated than that of tops and yarns. In investigating the cost of weaving the Tariff Board chose 55 samples of woolen and worsted fabrics, which included samples of all the standard varieties used for men's and women's wear. The board, in the first place, obtained the actual weaving cost of each fabric from the mill originally making it; in the next place, it submitted the various samples to foreign and domestic manufacturers making similar goods, and obtained from them, after their books had been studied by the board's agents, the cost at which they could make the fabrics. The figures were checked and compared and the record of each sample written up. The board contented itself with giving the costs of converting yarn into cloth, and it made no effort to report specifically on the conversion costs of the tops and yarns used in the making of the fabrics. Nor did it attempt to connect its investigation of weaving costs with its costs of combing and spinning. An effort will here be made to do this. In Table 10 the difference in conversion costs between this country and abroad for the samples reported on by the Tariff Board is calculated from the raw wool through combing and spinning to the finished fabrics. Those samples on which no English costs were obtained are not included. In this table the classification of the Hill bill has been adopted, not necessarily because it is the last word on classification, but because it was the one most discussed in the Sixty-second Congress.

The ad valorem duty necessary to cover the difference in conversion costs for the samples reported on pages 651 to 690 of the Tariff Board's report on Schedule K.

Sample No.	Name of cloth.	1 Weight (ounces per yard).	2 Difference in conversion cost for top in 1 pound of cloth.	3 Difference in conversion cost for yarn in 1 pound of cloth.	4 Difference in weaving conversion cost per pound of cloth.	5 Total difference in conversion cost of 1 pound of cloth (2+3+4).	6 Price (English total cost plus 17½ per cent) per pound.	7 Ad valorem rate necessary to cover difference in conversion cost (5÷6).
	Valued at not more than 40 cents per pound:							*Per cent.*
4	Women's cotton warp sacking	8.5		$0.0414	$0.077	$0.1184	$0.3971	29.82
13	Men's fancy woolen suiting	16.0		.0418	.088	.1295	.3905	33.16
	Valued at more than 40 and not more than 60 cents per pound:							
14	Fancy woolen overcoating	18.5		.0477	.087	.1347	.4116	32.72
21	Do	10.0		.0396	.128	.1676	.5166	32.45
28	Men's fancy woolen suiting	13.0	$0.3049	.0570	.130	.2419	.5900	41.00
	Valued at more than 60 and not more than 80 cents per pound:							
1	Worsted Panama	4.2	.0438	.0698	.152	.2656	.6872	38.65
2	Fancy cotton worsted	6.7	.0077	.0327	.099	.1394	.6285	22.18
3	Brilliantine	3.7	.0290	.0496	.174	.2526	.7715	32.74
8	Women's homespun	8.2		.0696	.131	.2006	.7774	25.80
9	Woolen tweed	12.2	.0007	.0699	.100	.1706	.6368	26.79
12	Women's worsted serge	9.0	.0438	.0715	.161	.2763	.7209	38.33
15	Women's worsted cheviot	10.0	.0431	.0706	.168	.2817	.6869	41.01
16	Covert	11.6		.0767	.141	.2177	.7731	28.16
22	Men's blue serge	14.0	.0434	.0646	.117	.2250	.6594	34.12
23	Men's blue worsted serge	12.0	.0410	.0623	.175	.2783	.7364	37.79
25	Fancy cassimere	16.0		.0542	.131	.1852	.6423	28.83
27	Women's cheviot	13.0	.0441	.0402	.129	.2633	.6888	38.23
32	Fancy fine woolen	12.0		.0765	.253	.3295	.7844	42.01
34	Fancy worsted suiting	11.5	.0429	.0728	.240	.3548	.7701	46.07
41	Black thibet	17.0		.0366	.146	.1826	.7752	23.56
	Valued at more than 80 cents and not more than $1 per pound:							
10	Women's all-wool blue serge	7.5	.0488	.0777	.203	.3295	.8467	38.92
17	Women's all-wool sacking	10.5		.0623	.160	.2223	.8356	26.60
24	Fancy cotton-warp worsted	13.0	.0220	.0599	.189	.2008	.9496	21.15
26	Do	11.2	.0264	.0663	.200	.2927	.8687	33.70
30	Fancy worsted	14.0	.0500	.0664	.169	.2854	.9414	30.32
33	Covert wool	14.0		.1000	.177	.2770	.9176	30.18
37	Men's black clay worsted	16.0	.0484	.0671	.156	.2715	.9895	27.44
44	Woolen overcoating	24.0		.0803	.118	.1983	.8257	24.02
46	Uniform	21.0		.0640	.152	.2160	.9844	21.94
	Valued at more than $1, and not more than $1.50 per pound:							
5	All-wool batiste	2.6	.0496	.1350	.384	.5686	1.4363	39.59
6	All-wool Panama	4.7	.0468	.1244	.238	.4092	1.1489	35.62
7	All-wool batiste	3.7	.0476	.1212	.305	.4738	1.3038	36.34
20	Women's all-wool broadcloth	9.3		.1100	.194	.3040	1.0181	29.86
36	Men's blue serge	18.0	.0528	.0757	.130	.2585	1.1489	22.50
38	Fancy worsted suiting	11.5	.0460	.0750	.271	.3920	1.2140	32.29
42	Men's lightweight blue serge	13.0	.0488	.1111	.258	.4179	1.2293	34.00
45	Men's fancy half worsted suiting	13.2	.0216	.1124	.246	.3800	1.3548	28.05
47	Black unfinished worsted	15.0	.0492	.1007	.237	.3869	1.1471	33.73
48	Men's unfinished worsted	14.0	.0488	.1150	.228	.3918	1.0998	35.62
49	Men's serge	13.0	.0488	.0972	.264	.4100	1.1050	37.10
	Valued at more than $1.50 per pound:							
52	Silk-mixed worsted	14.2	.0500	.1602	.444	.6542	1.6642	39.31
53	Men's unfinished worsted	14.5	.0484	.2389	.391	.6783	1.6000	42.39

The unit of measure in Table 10 is 1 pound of cloth. Before the difference in conversion costs of the tops and yarn entering into a pound of cloth could be computed it was necessary to determine how much waste there is in combing and spinning. It should be clear that, because of the wastes in these processes, it requires more than a pound of yarn to make a pound of cloth and more than a pound of top to make a pound of worsted yarn. The conversion cost of the material wasted, however, must be considered in calculating the total conversion cost of a fabric. At best the method by which the figures in Table 10 were computed is complex. The best way to make it clear is to take one sample and follow it through all the computations.

Sample No. 22 is a men's blue serge weighing 14 ounces to the yard. In making the yarn required to make 1 pound of this fabric approximately 1.24 pounds of top were consumed. The difference in the conversion costs between this country and England of the top in this fabric is 3.5 cents per pound, and the corresponding cost for 1.24 pounds is 4.34 cents. By this means all the figures in column 2 were computed.

In making 1 pound of sample No. 22 approximately 1.13 pounds of worsted yarns were used—0.60 of a pound were used in the warp and 0.53 of a pound were used in filling; 2/24s were used in the warp. According to the Tariff Board the difference in conversion cost between this country and England of 2/24s is 6.31 cents per pound, and the corresponding figure for 0.60 of a pound would be 3.79 cents; 1/12s were used in the filling. While no cost was given for 1/12s by the Tariff Board, a fair estimate on the basis of the costs given would make the difference in conversion cost between this country and abroad for 1 pound of this yarn 5.04 cents, and the corresponding cost for 0.53 of a pound would be 2.67 cents. Adding 3.79 cents and 2.67 cents the result is 6.46 cents—the difference in conversion costs between this country and abroad of making the yarn in 1 pound of sample No. 22. This method of calculating the yarn costs was followed in the case of each sample, and the results are to be found in column 3.

The American weaving cost for sample No. 22 was 22.2 cents per yard and the English weaving cost was 11.93 cents per yard. (Report of the Tariff Board on Schedule K, p. 665). The latter cost was subtracted from the former in order to obtain the difference in the weaving conversion costs per yard between this country and abroad. This difference per yard was then reduced to the corresponding difference per pound, or 11.7 cents. In this manner each of the costs in column 4 of Table 10 was computed.

Column 5 is the sum of columns 2, 3, and 4 and shows the total difference in cents per pound between this country and England of converting wool through all the processes into finished cloth. For sample No. 22 this cost is 22.5 cents.

It next became necessary to determine the price on which the duty would be assessed if the fabric in question were imported. Under the present administration of the customs this price would, of course, be the foreign price. The Tariff Board did not give prices for the samples under discussion, but it did give the total costs. Upon the basis of the total cost the price is computed. Recurring to sample No. 22, the total English cost, i. e., both material and conversion costs, for this sample was 49.11 cents per yard. This total cost per

yard was reduced to the total cost per pound, and to it was added 17½ per cent of itself in order to determine a figure on which the duty should be assessed. This method is employed by the customs officials when goods are billed to this country at cost, and 17½ per cent is a fair allowance for distribution expenses and profit. For sample No. 22 the figure on which the duty would be assessed is 65.94 cents per pound. This is the way column 6 was made up.

Column 7 is the real object of all the computations in Table 10. It is the per cent which column 5 is of column 6; in other words, it is the total difference in conversion costs between this country and England expressed in percentage. If, then, a duty were being levied just adequate to offset the disadvantages of the American manufacturer arising from the difference in conversion costs alone between here and England of sample No. 22, the ad valorem rate would be 34.12 per cent. This duty, of course, does not provide for compensation on account of a duty on raw wool.

There are certain other observations to be made concerning the method by which Table 10 was constructed. No effort was made to work out the top costs in column 2 according to the particular qualities of top in the warp and weft. For the purpose of avoiding confusion and possible inaccuracy, the difference in the conversion costs between this country and England of 1 pound of tops of the lower qualities was taken at 3.5 cents and of 1 pound of the higher qualities at 4 cents. These costs correspond approximately to the results of the discussion of tops above. Such variations as occur in column 2 are due to variations in the amount of top used in making 1 pound of each fabric. Whenever the spaces are blank in column 2, the fabrics considered are woolens, as distinguished from worsteds, and no tops were used in their manufacture. Whenever the fabric considered was in part worsted, only the actual tops used were considered.

In some cases in the construction of Table 10 it was necessary to make use of information generally familiar to manufacturers but not found in the report of the Tariff Board. This was true in proportioning the material in a pound of cloth between the warp and weft and in some cases in estimating the amount of loss of material in the various processes. In obtaining the costs of all the various kinds of yarns used in the construction of the sample under discussion, several sources of information had to be resorted to. The costs of producing worsted yarns were taken from the report on Schedule K, and in those cases where costs were not given for particular counts the costs of these were estimated on the basis of the costs given. The costs of cotton yarns (when a part of a sample) were taken from the Tariff Board's report on Schedule I. No costs of carded woolen yarns are given by the Tariff Board, but it is generally recognized in the trade that the conversion cost of these yarns in the United States is one-half cent a cut, and in the absence of anything better this estimate has been used here.

These detailed explanations of Table 10 have been made for the purpose of being frank with the reader. Differences of opinion unavoidably arise in a subject as complicated as the one under consideration. There is no desire to force any conclusions on the reader and therefore the methods of computation are set forth plainly and the result left to the judgment of him who reads.

The purpose of the foregoing table is to illustrate the excessiveness of the Payne-Aldrich rates on woolen and worsted goods.

In the first place, the ad valorem duty in cents (column 5) may be compared with the difference in conversion cost as found by the Tariff Board (column 7). In each case the Payne-Aldrich rate is excessive and the excesses are shown in column 10. Even if we, therefore, assume that there is no excessive protection in the so-called compensatory duties of the Payne-Aldrich law the ad valorem duties themselves are clearly shown to be excessive.

There is, however, concealed protection in the so-called compensatory duties of the Payne-Aldrich law. It is difficult to measure this excess, but the table gives a fair idea of it. It was necessary first to determine what compensatory duty would equal the actual amount of compensation needed under the present duties. Of course the importation of low shrinking wools has increased the protection contained in the so-called compensatory duties. It is conservative to say that the woolgrower does not get under the duty of 11 cents a grease pound in the Payne-Aldrich law more than protection equivalent to 18 cents on the scoured content of wool. If anything, the 18 cents on the scoured content is more protection than 11 cents on the grease content. Eighteen cents per pound was the rate in the Hill and Penrose bills of last Congress. The Tariff Board states (p. 626) that on the basis of 18 cents on the scoured contents of wool the compensatory duty should be 26 cents. Twenty-six cents was therefore added to the difference in conversion cost in order to arrive at the total duty required by the Tariff Board, assuming, of course, that the Payne-Aldrich rate on raw wool is correct. This is shown in column 9. These figures were then subtracted from the total duty under the Payne-Aldrich law (column 6), and the excess is shown in column 11.

It should be distinctly understood that this table does not indorse the 18-cent duty on the scoured content of wool. It is used simply to get a comparable basis.

Without taking the time of the Senate to go into the details, let me say that being fortunate enough to have the assistance of an expert upon this schedule I have been able to make this table include the total conversion cost from the raw wool to the finished cloth. I believe that the chart hanging on the wall starts with the yarn instead.

Without describing these various samples of cloth and their use, I am going just to call the attention of the Senate to them by number, because it will save time. Then I am going to give you not all the details that you will find in the table, which are very interesting, such as the compensatory duty and the ad valorem duty under the Payne-Aldrich law, the total duty under the Payne-Aldrich law, the difference in conversion cost per pound, the compensatory duty recommended by the Tariff Board on a basis of 18 cents per scoured pound of wool content, the total duty and compensation required according to the Tariff Board, the excess of the Payne-Aldrich ad valorem duties, the different duty necessary to cover the conversion cost, and the excess of the total Payne-Aldrich duties over necessary duties, including compensation, according to the Tariff Board. I just want to read the excesses shown in the last column to you that we may see what the burden is that the American people have to bear at this time under existing law.

Sample No. 1, excess of the total Payne-Aldrich duties over the total necessary duties, according to the Tariff Board, 25.80 cents per pound.

Sample No. 2, 35.40 cents per pound.

Sample No. 4, 15.02 cents per pound.

Sample No. 6 is an all-wool Panama.

I stop to mention that, because it is a rather cheap class of dress goods worn largely by the American people. On all-wool Panama, No. 6, the excess of the Payne-Aldrich duty over that which is necessary to measure the difference in the cost of production and furnish compensation is 40.27 cents a pound.

Women's homespun, 40.70 cents a pound.

Woolen tweed, 32.78 cents a pound.

Women's all-wool blue serge, 31.62 cents a pound.

Women's worsted serge, 30.02 cents a pound excess, which measures the overprotection. Do you begin to realize what thinned us out on this side of the Chamber?

Men's fancy woolen suiting, 13.58 cents a pound excess protection.

Fancy woolen overcoating, 25.11 cents a pound.

Women's worsted cheviot, 24.18 cents a pound.

No. 16, a covert cloth, 38.75 cents per pound excess.

No. 17, women's all-wool sacking, 41.73 cents excessive protection.

Women's all-wool broadcloth, 43.60 cents excessive protection.

Fancy woolen overcoating, 27.07 cents a pound excess protection.

Men's blue serge, common, worn by everybody, 28.47 cents a pound excess protection.

Fancy cotton warp worsted, 50.15 cents a pound excess protection.

Fancy cassimere, 31.60 cents a pound excess.

Cotton warp worsted, 36.51 cents a pound excess.

Women's cheviot, 26.11 cents a pound excess.

Men's fancy woolen suitings, 23.31 cents a pound excess.

Fancy worsted, 41.24 cents a pound excess.

Fancy fine woolen, 28.19 cents a pound exess.

Covert wool cloth, 40.77 cents a pound excess.

Fancy worsted suiting, 24.88 cents a pound excess.

Men's blue serge, 55.34 cents a pound excess.

When you get down to the common ones I tell you there is where you get the excess duties.

Men's black clay worsted, 45.27 cents a pound excess.

Fancy worsted suiting, 45.57 cents a pound excess.

Black thibet cloth, 42.38 cents a pound excess.

Men's lightweight blue serge, 43.82 cents a pound excess.

Woolen overcoating, 43.58 cents a pound excess.

Men's fancy half-worsted suiting, 54.51 cents a pound—more than it was necessary to measure the difference in the cost of production and furnish compensation.

Uniform cloth, 50.56 cents a pound excess.

Black unfinished worsted, 39.40 cents a pound excess.

Men's unfinished worsted, 39.31 cents a pound excess.

Men's serge, 37.78 cents a pound excess.

Silk mixed worsted, 44.11 cents excess protection.

Men's unfinished worsted, 38.17 cents more than was necessary to furnish a complete and thorough protection.

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Nebraska?

Mr. LA FOLLETTE. I do.

Mr. NORRIS. I should like to inquire of the Senator if he can give us that excess as applied to yards, or will the table show it?

Mr. LA FOLLETTE. The table will not show it, because the duty is measured by pounds, and the whole matter must be

figured out by the pound. But reference is made to the Tariff Board's report where every Senator will have the opportunity to make investigation into the full text relating to the matter.

Mr. NORRIS. I make the inquiry because to the ordinary person the illustration would be enhanced in value very much if in each case the amount were given in yards.

Mr. LA FOLLETTE. Of course that would be available, it all the while depending upon the weight of the goods.

Mr. NORRIS. Yes; it would vary with each sample, I understand.

Mr. LA FOLLETTE. But according to the views of the Senator from Nebraska I am sure there should not be one cent of excess protection over and above that which measures the difference in the most of production.

Mr. NORRIS. Certainly not. I agree with that proposition, but I will say to the Senator that the ordinary person judges cloth not by the pound but by the yard, and it seems to me it would elucidate the argument the Senator is making if we knew in each case how many pounds there were in a yard or how many yards there were in a pound.

Mr. LA FOLLETTE. As it is all measured by the pound and as the weight of each sample varies, it would have been quite an additional labor to have figured out the yards. But it shows that throughout the whole schedule—for this is a representative class of samples typical of the industry—the duties are extravagant and prohibitory. They are not simply extravagantly protective, but they are prohibitory.

Mr. SUTHERLAND. Mr. President——

Mr. LA FOLLETTE. I yield to the Senator.

Mr. SUTHERLAND. The Senator has given us the amount of excess upon the various samples. Does the Senator's statement show the amount of the duty so that we can determine the percentage of excess?

Mr. LA FOLLETTE. Oh, yes. It shows the weight in ounces. It can be figured out. I fancy that perhaps what the Senator from Nebraska just asked me about can be computed from this table, but it will require some computation on the part of anyone interested in it. The weight in ounces per yard is given.

Mr. NORRIS. If that is given, anyone will have sufficient data by which to figure it out for himself.

Mr. LA FOLLETTE. The price per pound is given. The compensatory duty in the Payne-Aldrich bill is given per pound. The ad valorem duty in the Payne-Aldrich bill reduced to cents per pound is given. The total duty under the Payne-Aldrich bill per pound in cents is given. The difference in conversion cost per pound is given in cents. The compensatory duty recommended by the Tariff Board on the basis of 18 cents per pound on the scoured content of the wool is given. The total duty and compensation required according to the Tariff Board is given. The excess of the Payne-Aldrich ad valorem duties over the duty necessary to cover conversion cost is given, and the excess of the total Payne-Aldrich duties over the total necessary duties according to the Tariff Board is given.

Now, Mr. President, that brings me to another phase of this schedule, which is of deep and vital interest to the American people. The framers of the pending bill were confronted by these enormously excessive duties and they addressed themselves to the solution of the problem according to their standard.

They have reported to the Senate a bill which places wool upon the free list and, in a marked degree, reduces the duties upon all of its manufactured products.

I approached the consideration of the questions presented by the pending legislation on this schedule, I think, without any prejudice, or if I had any I am sure that it was in favor of the producer of the raw material which enters into the manufactured products of the wool manufactures. I was born and reared and spent all the years of my boyhood and early manhood upon a farm, and because we are all affected by our environment and association in that formative period of our life, I think all of my sympathies and attachments draw me to the farmer's side of any question in which his interests are in issue.

I have made such investigation and such study of the effect of free wool on the producer of wool as I have been able, and with the indulgence of the Senate I shall present the result of that investigation for whatever it may be accounted to be worth. It is the result of painstaking effort and a sincere desire to reach a sound conclusion.

It is important at the outset to recognize that the question of woolgrowing and the tariff is, like most economic questions, very complex, and that the effect of the tariff upon the growth and maintenance of the industry has been grossly exaggerated. Among the factors other than the tariff that have influenced the industry in the past, C. W. Wright ("Woolgrowing and the Tariff," p. 319) enumerates:

(a) The spread of population.

(b) The rise of manufactures.

(c) The relative changes in the prices of agricultural products and the competition of other farm pursuits.

(d) The abnormal conditions of war with its distorting inflation of the currency.

(e) The opening of the far West.

(f) The greater relative profits in other lines of agriculture.

The tariff has without doubt been an influence; it has been too much belittled by the free trader and too much exaggerated by the protectionist. It has maintained the price of wool at a level that made it profitable to keep more sheep than would have been kept under free wool, and it has enabled woolgrowing, as distinguished from mutton raising, to remain an independent industry.

The questions that present themselves are: What parts of the woolgrowing industry will be destroyed by free wool? Can the parts that will be destroyed be maintained and defended on an economic basis?

There are in the United States three distinct classes of sheep:

(1) The fine-wooled merino of Ohio and adjoining States.

(2) The crossbred sheep of the Middle Western and Eastern (farm) States.

(3) The range sheep.

FINE-WOOLED MERINO SHEEP AND THE CROSSBREDS.

The net charge against fine merino wool, according to the Tariff Board, is summarized in the following table. The table is based on the table on page 369 of the Tariff Board's report on wool, which I will ask leave to incorporate in my remarks.

The PRESIDING OFFICER (Mr. POMERENE in the chair). In the absence of objection, permission to do so is granted.

The table referred to is as follows:

TABLE 1.—*Net charge against fine merino wool produced in the Eastern States.*

Pounds of wool.		Receipts.		Average net charge against wool per pound.
Number.	Percentage of total.	Percentage from wool.	Percentage from other sources.	
37,934	6	78	22	$0.42
57,083	10	77	23	.32
90,886	15	71	29	.27
129,169	22	71	29	.22
248,519	42	57	43	.12
29,588	5	38	62	.06
592,979	100	64	36	.19

Mr. LA FOLLETTE. As the table shows, the great part of the cost of these flocks is carried by the receipts from wool, the average being 64 per cent from wool and 36 per cent from other sources. This explains why the net charge against wool is abnormally high. To the uncompromising protectionist these figures prove the need of higher protection than given by the present tariff bill; to the advocate of free wool they prove that the particular type of sheep that make up these flocks is not adapted to the conditions of the country. There are in the Eastern States about 5,000,000 sheep to which the costs in Table 1 apply. The product of these flocks competes with the merino fleeces of Australia, where the net charge against wool is only a few cents. Nothing short of a prohibitive tariff would make this method of growing wool profitable. It is a highly specialized industry trying to raise a type of sheep that yields little or no income from mutton. Merino are desirable on the range where a hardy sheep with flocking characteristics is needed, but it is out of place in a farming community.

Free wool would eliminate the pure merino type, but it would not destroy the industry. By crossing with mutton bucks or by introducing the mutton types of sheep the receipts from mutton could be increased and the income from wool would still remain. The Tariff Board showed that the net charge against wool grown on the crossbred sheep in the Eastern States was less than nothing; that is, the receipts from mutton more than paid the cost of maintaining the flocks and the wool was all "velvet." On page 369 of the Tariff Board report it is shown that of the receipts from 159,396 pounds of wool raised on crossbred sheep

only 33 per cent was from wool and 67 per cent was from other sources—chiefly mutton.

It follows, therefore, that if the eastern farmers will adopt the crossbred or mutton types of sheep they can raise wool profitably as a by-product without any tariff. The United Kingdom furnished a good example of a free-wool country with extensive flocks. There are sheep in every county in England. In 1910 the United Kingdom, with an area of 77,690,240 acres, contained 31,164,587 sheep and lambs, or 1 sheep or lamb for every 2.5 acres. The United States, on the contrary, with an area of 1,903,461,760 acres, contained in the same year 52,447,861 sheep and lambs, or 1 sheep or lamb for every 36.3 acres. The condition in the United Kingdom goes to show that we have not touched our woolgrowing possibilities in this country, and that woolgrowing, as an incident to general farming, can be made profitable under free wool. Free wool will force a readjustment in the eastern woolgrowing conditions. Many farmers who now keep fine merino flocks as a matter of pride or on account of tradition will be forced to abandon the pure merino type, except as a breeding proposition. If, however, he keeps his head and turns to a type of sheep adapted to the new conditions, he, as well as the public generally, will be benefited. He will already find his neighbors owning 10,000,000 crossbred sheep, that would be profitable under free wool.

The Tariff Board divides the merino sheep of the East into classes, the first including such heavier types as the French Rambouillet, the Black Top, and the Delaines; the second, the small American merino. In addition to these there are the crossbreds. Of the eastern sheep the board says:

> The results clearly differentiate three types of flocks: (1) Crossbred flocks, producing a good medium fleece and showing receipts from other sources, chiefly mutton, which are sufficient, or nearly sufficient, to cover the cost of maintaining the flock; (2) pure-bred or high-grade flocks of improved merinos, producing a somewhat heavier clip of superior wool and showing receipts from other sources, which, although usually not sufficient to cover the cost of maintenance, are in many cases large enough to afford the grower a fair profit; and (3) flocks that produce a lighter fleece and show receipts from other sources, which are far from sufficient to cover the cost of maintenance; so that, as the receipts from wool are not large enough to cover the flock expense, the industry seems to be carried on either at a very narrow margin or, in many cases, at a decided loss.

THE RANGE SHEEP.

I come now, Mr. President, to the case of the range sheep. The net charge against wool in the far West, according to the Tariff Board, is summarized in the following table, marked "Table 2," which, Mr. President, I ask leave to incorporate in my remarks without reading in detail. I will merely say that the calculations of this table are based to be 20,764,713 pounds of wool. The receipts from wool are 43 per cent of the total, the receipts from other sources are 57 per cent, and the average net charge per pound against wool is 10.9 cents.

The PRESIDING OFFICER. If there be no objection, the table referred to by the Senator from Wisconsin will be printed in the RECORD. The Chair hears none.

The table referred to follows.

TABLE 2.—*Net charge against wool produced in the range States.*

Wool.	Percentage of total.	Receipts.		Average net charge against wool per pound.
		Percentage from wool.	Percentage from other sources.	
Number of pounds:				
2,636,297	12.7	47.7	52.3	$0.237
3,836,815	18.5	49.8	50.2	.168
5,459,088	26.3	47.4	52.6	.119
4,665,141	22.5	42.0	58.0	.077
2,293,087	9.0	36.2	63.8	.027
1,874,287	11.0	28.9	71.1	+.039
20,764,713	100.0	43.0	57.0	.109

Mr. LA FOLLETTE. These figures are given more in detail in Table 3, which is taken from page 329 of the Tariff Board's report on wool. The average rate of income on capital should be studied in connection with the proportion of receipts from sources other than wool.

I ask leave to have incorporated, without reading in detail, that which in my notes is marked "Table 3." This is a summary of the Tariff Board's statistics relating to the net charge against wool raised on the range in the far Western States.

The PRESIDING OFFICER. In the absence of objection, the table referred to by the Senator from Wisconsin will be printed in the RECORD.

The table referred to is as follows:

TABLE 3.—*Summary of the Tariff Board's statistics relating to the net charge against wool raised in the range or far Western States.*

Net charge.	Cases.		Sheep.		Pounds of wool.		Wool.	Receipts.				Average net charge against wool per pound.	Difference between net charge and average selling price.	Average rate of income on capital.
	Number.	Percentage of total.	Number.	Percentage of total.	Number.	Percentage of total.		Percentage from wool.	Other sources.	Percentage from other sources.	Total.			
20 cents and above	40	12.1	438,541	13.9	2,636,297	12.7	$479,858.86	47.7	$526,957.52	52.3	$1,006,816.38	100.0	$0.237	$0.055	−9.1
15 cents and under 20 cents	59	17.9	594,268	18.9	3,836,815	18.5	656,814.50	49.8	661,554.83	50.2	1,318,369.33	100.0	.168	.003	−0.5
10 cents and under 15 cents	71	21.5	807,775	25.6	5,459,088	26.3	825,627.50	47.4	912,737.26	52.6	1,738,364.76	100.0	.119	.034	3.8
5 cents and under 10 cents	74	22.4	677,545	21.5	4,665,141	22.5	733,849.53	42.0	1,013,036.76	58.0	1,746,886.29	100.0	.077	.08	10.7
Under 5 cents	42	12.7	352,912	11.2	2,293,087	9.0	352,830.12	36.2	622,219.93	63.8	975,050.05	100.0	.027	.126	15.3
Net credit	44	13.4	280,690	8.9	1,874,287	11.0	262,859.30	28.9	648,132.58	71.1	910,991.88	100.0	.039	.179	24.2
Total	330	100.0	3,151,731	100.0	20,764,713	100.0	3,311,839.81	43.0	4,384,638.88	57.0	7,696,478.69	100.0	.109	.050	6.2

The above table shows that the proportion which the average receipts from wool per head constitute of the average total receipts per head varies widely—from 49.8 per cent in Group II to 28.9 per cent in Group IV—with an average of 43 per cent. It will be noted that in general the higher this percentage is the higher is the average net charge against a pound of wool and the lower is the average net income on capital.

Mr. LA FOLLETTE. I will not take the time of the Senate to go fully into that table, and shall only say that it will be observed from Table 3 that as the percentage of receipts from sources other than wool—that is, chiefly mutton—increases the net charge against wool decreases and the average rate of income on capital increases.

COMPETING COUNTRIES.

Mr. President, what are the countries with which we have to compete under the conditions existing in America to-day?

The countries which compete directly with the United States in woolgrowing and on which the Tariff Board furnishes information are Australia, New Zealand, and Argentina.

AUSTRALIA.

In 1910 there were 89,941,520 sheep in Australia. These may be classified according to the size of flocks as in Table 4. The high proportion of large flocks shows that range conditions are almost universal.

I ask, Mr. President, permission to incorporate in the RECORD this table, which is marked "Table 4," without reading it in detail.

The PRESIDING OFFICER. If there is no objection, it is so ordered.

The table referred to is as follows:

TABLE 4.—*Size of flocks in Australia.*

Under 500	6,622,593
500 and under 1,000	6,623,140
1,000 and under 2,000	8,517,920
2,000 and under 5,000	12,716,449
5,000 and under 10,000	10,485,392
10,000 and under 20,000	13,407,357
20,000 and under 50,000	17,287,396
50,000 and under 100,000	9,903,250
100,000 and upward	4,378,023
Total	89,941,520

Mr. LA FOLLETTE. In Australia, because of the abundance of pasture land, it is profitable to raise the merino; that is, it is

profitable to raise sheep for their wool only. The Government has a system of leasing public lands that is a benefit to the woolgrower. About 85 per cent of the sheep in Australia are merino. The so-called paddock system is common in Australia. Under it sheep are left in a large fenced inclosure. The system protects the sheep and economizes labor. As compared with it the haphazard system pursued in the United States is wasteful and expensive. Upon this point the Tariff Board said:

Under our shepherding system much more labor is required than under the paddock system and the unfavorable range conditions of the United States still further increase the amount of labor required. Whereas in Australia and South America the cost of the actual labor of caring for the sheep is merely nominal, in the United States, on the other hand, this item alone is a heavy burden, constituting about 48 cents of the 82 cents which is the average total labor charge per head.

Most of the large free ranges of the early days of western sheep raising have been broken up by the coming of the homesteader; and in order to utilize the free range remaining the flockowner must now run his sheep in comparatively small bands. Furthermore, the land policy of the United States has been unfavorable to the holding of large tracts of land, and therefore grazing land belonging to flockowners or leased by them from the State or from private parties often consists of scattered sections.

Furthermore, the grazing lands are, as a rule, the waste parts of the country, mountainous, semiarid, and producing but scant herbage, and are, to a great extent, fit only for sheep grazing. Thus, while forage may be obtained free or at a low cost, the remoteness of the grazing lands, the nomadic nature of the grazing, the scarcity of water, the danger of predatory animals, and the constant need of care to prevent trespassing, necessitate an expenditure for labor so great as almost entirely to overshadow the advantage of the cheap forage.

Owing to these conditions the number of men required in the United States for the direct care of sheep—that is, the number of herders and camp tenders—has for some years steadily increased, until at present one man is required for about 1,000 sheep, whereas one boundary rider can attend to 10,000 to 20,000 sheep in Australia and 10,000 to 15,000 in South America, according to the carrying capacity of the land; and in those regions of South America where the sheep-herding system is in vogue the large open ranges make it possible for one man to care for about 5,000 sheep.

NEW ZEALAND.

In 1911 there were in New Zealand 23,290,503 sheep in flocks. Of these, 21,525,084 were crossbred and other mutton sheep and only 1,765,419 were merino sheep. A great proportion of the cost of maintaining the New Zealand flocks is therefore carried by the mutton production. On the cost of production in New Zealand the Tariff Board said:

Upon the net charge against a pound of New Zealand wool there seems to be some very definite figures. The tremendous increase in their young stock, the ability to fatten their old ewes and sell at good prices, the high carrying capacity of their lands, and other favorable conditions all tend to reduce the cost of production. This, together with very high average prices for both their wool and mutton output, a high average shearing, a moderate amount of investment in improvements, etc., makes it appear as if the mutton output from any given flock in New Zealand must cover almost the entire cost of production, leaving the wool practically free of all charges, or not to exceed a few cents at the extreme.

ARGENTINA.

Argentina contained in 1908, 67,211,754 sheep, the great proportion of which were crossbred.

The Tariff Board found (p. 11) that the net charge against wool raised in Argentina was between 4 and 5 cents.

AGRICULTURAL COMPETITION.

I wish now, Mr. President, upon another point, to submit something upon the agricultural competition which presses upon sheep growing in the United States, and I quote a very interesting observation from C. W. Wright in his work on Woolgrowing and the Tariff. He says:

In the United States the situation is such as to render any marked advance in the woolgrowing industry improbable and a gradual decline likely. Experience indicates that the power to prevent this is not to be found in the present tariff. If the industry is to be maintained in a position of the same relative importance as formerly, a higher tariff will be necessary. A tariff which simply offsets such advantages as the foreign woolgrower may have in relatively cheaper cost of production is not sufficient. The foreign fleece is by no means the only rival of the American; equally serious competitors are found at home in the greater relative profits of other lines of agriculture. The very advantages and great natural resources of the country thus become an obstacle. Therefore, if the lands of the woolgrower prove to be particularly well adapted for something else, and it is still deemed best that his sheep be not abandoned, he must have a duty such as will make wool at least as profitable as that other product for which his land is so well adapted. The greater the superiority of the land—the better fitted it becomes for other things—the heavier must be the duty. To some this may appear to make the cost of protection high, but as the history of the old woolgrowing centers shows, it is a cost which the adoption of this policy involves. It does not necessarily condemn the policy—

I repeat—

It does not necessarily condemn the policy. It is simply one of the things to be weighed in the balance against such advantages as the maintenance of the industry may secure to the country.

MUTTON.

The Tariff Board figures in Table 3 show that where mutton is the predominant source of income wool can be raised as cheaply in the United States as any place in the world. They show that even with the present duty flocks can not be maintained profitably for wool alone. This fact is confirmed by the Tariff Board. It says:

These figures indicate that under present conditions sheep raising can not be profitably carried on for the sake of the wool alone, and that if the industry is to prosper, the receipts from mutton must cover a large part of the costs. The loss incurred in exclusive wool production is the result of two causes—(1) the gradual encroachment of agriculture on grazing lands and the consequent great increase in the costs of sheep growing, and (2) the gradual decline of wool values.

The decline in the profits of wool production has, however, been accompanied by an increase in the demand for mutton, resulting from the fact that the production of pork and beef has not kept pace with the growth of population. And at the same time the development of refrigerating facilities has made it possible for the flock owners of countries which, like Australia and South America, are far from centers of population to market their mutton.

The extent of the increase in mutton consumption is indicated by the statistics of receipts of sheep, cattle, and hogs in the Chicago stockyards during the last 40 years. In 1870 there were received, in round numbers, 350,000 sheep, 533,000 cattle, and 1,690,000 hogs; in 1880, 336,000 sheep, 1,382,000 cattle, and 7,060,000 hogs; in 1890, 2,180,000 sheep, 3,484,000 cattle, and 7,660,000 hogs; in 1900, 3,550,000 sheep, 2,729,000 cattle and 8,109,000 hogs; and in 1910, 5,229,000 sheep, 3,053,000 cattle, and 5,587,000 hogs; and it is estimated that in 1911 there will have been received 5,668,000 sheep, 2,920,000 cattle, and 7,031,000 hogs. The receipts of cattle reached a maximum in 1892 and since then have gradually declined. The receipts of hogs reached a maximum in 1898 and have undergone a sharp decline since that year. But the number of sheep received has constantly and rapidly increased, having passed the receipts from cattle in 1894 and being at the present time almost equal to the receipts of hogs. These figures are embodied in the following table:

	1870	1880	1890	1900	1910	1911
Sheep	350,000	336,000	2,180,000	3,550,000	5,229,000	5,668,000
Cattle	533,000	1,382,000	3,484,000	2,729,000	3,053,000	2,920,000
Hogs	1,690,000	7,060,000	7,660,000	8,109,000	5,587,000	7,031,000

[1] Estimated.

It seems to me, Mr. President, that the position then of the advocates of free wool toward the flocks in the far West is similar to their position toward the eastern flocks. They insist that in proportion as the flockmasters put emphasis upon mutton production their profits will increase and their need of tariff will diminish. The range conditions that in the past have made it possible to raise sheep in the far West for their wool only are passing and as settlement advances the conditions will continue to disappear. Flockmasters in the Northwest are putting emphasis on mutton production and their flocks are profitable. The more quickly we recognize in this country that wool is a by-product and treat it as such the better for the grower and the public. Free wool is really a concealed benefit to sheep husbandry in the United States, in my opinion.

NUMBER OF SHEEP.

There are defects in the census returns for sheep, due to the change in date of enumeration and the mixing of the count of lambs and sheep. While, therefore, fine distinctions can not be drawn from the census figures they are sufficiently accurate to show a general tendency. Table 5 shows that the population of the United States has increased rapidly, but the number of sheep has declined. The decline is both absolute and relative.

TABLE 5.—*Population of the United States and number of sheep (excluding lambs) in the United States compared for 1880, 1890, 1900, and 1910.*

Year.	Population of the United States.	Increase in population.	Sheep (including lambs) in the United States.	Decrease in number of sheep.	Sheep per thousand of population.
				Per cent.	
1880	50,155,783	.....	42,192,074	.....	841.3
1890	62,947,714	25.5	40,876,312	3.1	649.4
1900	75,994,575	20.7	39,852,967	2.5	524.3
1910	91,972,266	21.0	39,644,046	.5	431.5

The best statistics available on the number of sheep in, and the wool production of, the United States are found in a table which I have marked "Table 6," and which I ask leave to have printed in my remarks without reading.

The PRESIDING OFFICER. If there be no objection, it will be so ordered.

The matter referred to is as follows:

TABLE 6.—*Number of sheep and amount of wool produced in the United States, 1840–1912.*

[The number of sheep is based on the census figures 1840–1860 on the estimates of the Department of Agriculture 1867–1893, and on the figures of the wool manufacturers' bulletin since then. The first column of figures for the wool clip, believed to be the more accurate, is based on my own estimates for the years previous to 1862, the figures of Tichenor and Tingle 1862–1867, the figures of Lynch and Truitt 1868–1891, and the manufacturers' bulletin since then. The second column gives the estimates of the Department of Agriculture. Since 1895 the department has accepted the estimates of the bulletin.]

(The figures are to the nearest thousand.)

	Number of sheep.	Pounds of wool produced.	
		Trade figures.	Department of Agriculture figures.
1840	19,311	45,000	35,802
1850	21,723	60,000	52,517
1860	22,471	80,000	60,265
1861	.....	92,000	.....
1862	.....	106,000	.....
1863	.....	123,000	.....
1864	.....	142,000	123,000
1865	.....	155,000	142,000
1866	.....	160,000	155,000
1867	39,385	168,000	160,000
1868	38,992	177,000	168,000
1869	37,724	162,250	180,000
1870	40,853	163,000	162,000
1871	31,851	146,000	160,000
1872	31,679	160,000	150,000
1873	33,002	174,700	158,000
1874	33,938	178,000	170,000
1875	33,784	193,000	181,000
1876	35,935	198,250	192,000
1877	35,804	208,250	200,000
1878	35,740	211,000	208,250
1879	38,124	232,500	211,000
1880	40,766	264,000	232,500
1881	43,577	290,000	240,000
1882	45,016	300,000	272,000
1883	49,237	320,400	290,000
1884	50,627	337,500	300,000
1885	50,360	329,600	308,000
1886	48,322	323,031	302,000
1887	44,759	302,170	285,000
1888	43,545	301,876	269,000
1889	42,599	295,779	265,000
1890	44,336	309,475	276,000
1891	43,431	307,102	285,000
1892	44,938	333,018	294,000
1893	47,274	348,538	303,153
1894	43,502	325,211	298,057
1895	39,949	294,297	309,748
1896	36,464	272,475	.....
1897	34,784	259,153	.....
1898	35,672	266,721	.....
1899	36,905	272,191	.....
1900	40,268	288,637	.....
1901	41,921	302,502	.....
1902	42,184	316,341	.....
1903	39,284	287,450	.....
1904	38,342	291,783	.....
1905	38,621	295,488	.....
1906	38,541	298,915	.....
1907	38,865	298,295	.....
1908	40,312	331,138	.....
1909	42,293	328,111	.....
1910	42,000	321,363	.....
1911	39,761	318,548	.....
1912	38,481	304,043	.....

[From C. W. Wright, Wool Growing and Tariff, pp. 335-336.]

FARMS REPORTING SHEEP.

Mr. LA FOLLETTE. In 1910 there were 610,894 farms reported in the census as having sheep. I present a table showing that matter somewhat in detail and ask leave to have it incorporated in my remarks without reading.

The VICE PRESIDENT. Is there any objection? The Chairs hears none, and it is so ordered.

The matter referred to is as follows:

Sheep and lambs in the United States in 1910.

Number	52,447,861
Value	$232,841,585
Average value	$4.44
Farms reporting	610,894
Per cent of all farms	9.6

Mr. LA FOLLETTE. I shall recur to that table in some observations which I shall make presently upon my amendment to this schedule; and without taking time to read it, with the permission of the Senate, I will add a statement of some of the effects upon the sheep industry of the United States arising from the Wilson bill. I ask leave to incorporate that in my remarks.

The VICE PRESIDENT. Is there any objection? The Chair hears none.

Mr. STONE. Mr. President, was that statement prepared by the Senator himself?

Mr. LA FOLLETTE. It is partially quoted. It is only two pages, Mr. President. I will submit it, without asking leave to have it printed.

Mr. SIMMONS. Mr. President, I do not think anybody would object to the Senator's printing it.

Mr. LA FOLLETTE. I prefer to submit it. I thank the Senator for his courtesy.

This is a quotation which I make from an article on "The effect of the Wilson bill on sheep raising," by one of the members of the Tariff Board. My recollection, if it is material to state it in this connection, is that the member of the Tariff Board who wrote this article is a Democrat.

EFFECT OF THE WILSON BILL ON SHEEP RAISING.

Speaking of the conditions under the Wilson bill, Prof. Thomas W. Page, formerly a member of the Tariff Board, says, in the North American Review for April, 1913, the following:

In this generation the output of wool has had many ups and downs. It reached its apogee in 1893, and immediately afterwards there began a sharp decline, from which there has never been a complete recovery. Naturally the woolgrowers attribute the decline to the free-wool provision of the Wilson bill. And undoubtedly they are in large measure right, for so many flockowners were panic-stricken at the prospect of free wool that millions of sheep were hurried to the stockyards, slaughtered at home, or allowed to perish for lack of care, and for several years few of those that kept their sheep found any profit in them. But it should not be forgotten that a similar decline both in number and in profits occurred in the case of hogs and cattle, which were in no way affected by the tariff. The truth is that many forces contributed to cause the memorable business depression of the middle nineties. These bore as heavily upon sheep husbandry as upon other industries, and just how much of its decline was due to them and how much to the Wilson bill no human being will ever know.

After a very brief period the duties were restored, but in half a generation they have failed to restore the industry. Not only is the production of wool absolutely smaller than it once was, but it has fallen constantly still further behind the growing needs of the manufacturers. At present these are importing from abroad about two-fifths of the wool they use, and unless some overwhelming disaster comes upon their industry under no conceivable circumstances will the domestic supply of wool ever equal the demand.

In addition to the comments made by Mr. PAGE it is important to note that the decline in the number of sheep under the Wilson bill was more marked in the eastern farm States than in the range States of the far West. This was no doubt due in a large degree to the inability of the fine merino sheep to endure the competition. Table 7 shows the effect of the bill upon the number of sheep in the ranch and farm States. It should be noted that the farm States have never recovered as far as numbers are concerned.

If one, Mr. President, can divest one's self of everything but the pursuit of the truth he finds this economic study intensely interesting. I have found it so. I present a table showing for a period of years the number of sheep for the leading States where farm and ranch conditions prevail, and ask leave to have it incorporated in the RECORD without reading it in detail.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The table referred to follows.

Number of sheep over a period of years in April for leading States where farm and where ranch conditions prevail.[1]

[Expressed in thousands.]

Year.	Ranch States.[2]	Farm States.[3]	Total.
1890	24,217	20,119	44,336
1891	23,615	19,816	43,431
1892	23,874	21,064	44,938
1893	23,445	23,829	47,274
1894	22,400	21,102	43,502
1895	22,090	17,859	39,949
1896	21,121	15,349	36,470
1897	21,047	13,737	34,784
1898	21,949	13,723	35,672
1899	23,041	13,864	36,905
1900	26,203	14,065	40,268
1901	26,760	15,161	41,921
1902	26,518	15,668	42,186
1903	25,268	14,016	39,284
1904	24,996	13,346	38,342
1905	25,495	13,126	38,621
1906	24,866	13,675	38,541
1907	24,585	14,280	38,865
1908	25,430	14,882	40,312
1909	26,675	15,618	42,293
1910	25,850	16,150	42,000
1911	24,125	15,636	39,761
1912	23,575	14,906	38,481

[1] Statistics taken from Bulletin of Wool Manufactures.

[2] Includes Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Texas, Utah, Washington, and Wyoming.

[3] Includes all other States.

Mr. LA FOLLETTE. Mr. President, it is not correct to say that free wool will not injure anyone. It will injure many indi-

viduals; those who have hung with tenacity to the pure merino can not prosper under free wool. They, in fact, are not prospering now. I do not believe that they can exist under free wool. There will also be much unnecessary loss due to the psychological panic which such radical legislation as it is proposed here will cause. If something would happen to make sheep owners forget the tariff, and forget this legislation, a portion of the loss would never befall him.

But, Mr. President, it is my belief to which I have been forced by my study of this question, a belief which I did not entertain prior to the issuance of the report of the Tariff Board, that free wool will ultimately place the industry on a sound economic basis, a sounder economic basis than that upon which it rests to-day.

In the course of my reading I came upon a book entitled "Sheep farming in America," by Joseph E. Wing, staff correspondent of the Breeders' Gazette. This book has run through three editions warranting enlarging it and printing it with illustrations. It is an elaborate treatise upon the subject. Mr. Wing was employed by and made a comprehensive investigation of the sheep-breeding industry for the Tariff Board. He is a lecturer and staff correspondent of the Breeders' Gazette of Chicago.

I was somewhat curious to know if he were a practical man; if he were engaged in the business of producing sheep; if he were interested in sheep as sheep, and I had some inquiry made from which I find that Mr. Joseph E. Wing, the author of this book, lives in Mechanicsburg, Ohio; that he is a Republican; that he is a strong protectionist, and that he is heavily interested in sheep raising. I will quote from the third edition of his book.

The book is devoted to sheep husbandry; breeding and cross breeding. It deals with mutton sheep; care in winter and summer; feeding, washing, shearing, marketing; the flock husbandry in the Western States; the blood of the different herds; the division of the ranges. Indeed, as its title indicates it is a comprehensive manual for the sheep farmer in America. It devotes as much space to the great western ranches and flocks as to the eastern branch of the business. It does not discuss the relation of the industry to tariff rates. Indeed, I believe the subject is not mentioned from the first chapter to the last. But in the introduction to the third edition I find this word of advice and encouragement from the author to the sheep breeders of America, submitted in anticipation of the tariff changes, which all intelligent men have for years believed must come sooner or later:

> The future holds no menace, but hope instead. Should wool tariffs be lowered there might possibly be a small decrease in the numbers of sheep in the West. This would in ultimate effect cause mutton values considerably to enhance, so while possibly the American consumer might get his woolen clothing cheaper the sheep farmer would receive as much for his output of wool and mutton as ever before, and it might well be that he would receive more. With all tariff duties removed we might possibly sell wool for 15 cents per pound, as they do in Canada, if at the same time mutton prices were enhanced, which in the long run they would assuredly be. While the fleece of the ewe might bring us 70 cents less the lamb would bring us from 85 cents to $1.70 more, and the income from the farm flock be increased. The lesson is clear. No matter what ups and downs the sheep market may see in the near future the wise sheep owner is the one who stays with his flock and seeks only to make it better and healthier than before. His reward is assured.

Mr. President, Mr. Wing did not see a pall of disaster hanging over his industry, even in the anticipation of the removal of all the duties from wool.

But, Mr. President, the framers of this bill, when they came to consider the woolgrowers, were confronted with a "condition" as they were when they came to consider the duties on manufactured products.

They reduced the duties on manufactures of wool; they did not remove them altogether and at once. They were mindful of the large capital invested upon the encouragement which the Government had given under protective duties. They were mindful of the millions of people employed in these manufacturing industries upon the basis of those protective duties. And they made the reductions in the tariff with a view to maintaining the industries in this country under what they call competitive rates which will be found, for the most part, to be protective rates.

Why did they not proceed in the same way with the woolgrower? They were dealing with an important industry in which, as shown by the census of 1910, they found no less than 610,894 farmers were engaged.

Upon these 610,894 farms they found that there were 58,000,000 sheep and lambs.

These sheep and lambs they found to be of the average value of $4.44, and of a total value amounting to $232,841,585.

They found that although the number of the sheep and lambs had declined in 10 years, the value had increased from $170,203,000 in 1900 to $232,842,000 in 1910, an increase in value of 36.8 per cent.

They found that the annual clip of wool from these sheep amounted to more than $55,000,000.

More than this, they found that these 600,000 farmers had been encouraged to invest their money and devote their labor to this business of sheep husbandry, relying upon a tariff system which protected their industry from open competition with 90,000,000 sheep in Australia, producing wool at one-third the cost of production upon our farms, 67,000,000 sheep in South America, producing wool at one-half the cost of the American farmer, and of 23,000,000 sheep in New Zealand, with a production cost for wool of "not to exceed a few cents at the extreme," to quote the language of the Tariff Board.

These 610,000 farmers had invested their $232,000,000 in good faith, relying upon a protective tariff which had, with the exception of 4 years, been afforded them for nearly 40 years. This protection amounted to a varying ad valorem of from 45 to 50 per cent.

Mr. President, there has been much contention as to the value to the farmer of a protective tariff upon certain products of the farm, but there is one duty that does afford protection to the farmer. That is his duty of 45 to 50 per cent on wool. There can be no controversy about that.

You propose in this bill to remove the duties on practically all farm products, because you say "they are 'buncombe' duties placed there to fool the farmer." You can not make that claim for your removal of the duties on wool.

These duties do afford protection to the farmer. They yield him a substantial protection—a very substantial protection. And yet you cut him to the bone as ruthlessly here as elsewhere.

You may answer that you are opposed to all protective duties on all American production; but you have not removed all protective duties upon all American productions. You have left the manufacturer of woolen goods what you call a competitive tariff. I think you have left him a fairly adequate protective tariff. The tables which I have asked to have incorporated in my remarks this afternoon, applying to the duties in your bill, show that the wool schedule is substantially a protective bill to the woolen manufacturer. It is not as much as it ought to be on tops; it is 5 per cent; it ought not to be less than 7½ per cent to be fairly safe. There are one or two other lines of manufacture not adequately covered, but in the main you have left a protective tariff for the manufacturer. You call it a competitive tariff. Your process of reasoning in reaching what you designate as a competitive tariff has been substantially the same reasoning that I pursue to get at a protective tariff on the difference in the cost of production.

I say you have not removed all protective duties from manufactured products. You have left to the manufacturers of woolen goods what you call a "competitive" duty. I think you have left him in the main a fairly adequate protective duty.

You have excused yourselves for this compromise with your principles on the ground that you were confronted with a condition; that you found the manufacturer in the enjoyment of monopoly privileges due to practically prohibitory rates; that you could not take these excessive duties from him at one sweep; that every consideration of prudence and fair play required you to proceed with your purpose to wipe out all protective duties by a gradual process of reduction.

I think one of the members of the committee, the Senator from Mississippi [Mr. WILLIAMS], expressed it in picturesque language one day. He said, "We found the manufacturer on the top story of the building, away out on the roof; we could not push him off all at once, we are letting him down a story at a time." I do not do justice, of course, to my friend's statement.

Mr. WILLIAMS. The Senator has improved it, but it was something like that.

Mr. LA FOLLETTE. But why did you not accord the farmer's sheep industry the same consideration and reduce his protective duties upon wool one-third to one-half, instead of stripping him of all protection at one stroke?

Even if you believe that the farmer can reorganize this branch of his business upon a new basis, which will enable him to maintain it in the face of free competition with Australia, South America, and New Zealand, why do you not give him time in which to work out this reorganization without sacrificing his capital? Is not that a fair proposition?

You know that cane sugar in Louisiana can not survive free competition with cane sugar in Cuba, and you say to the cane-sugar farmer of Louisiana, "Brother, we do not believe it a sound economic policy to longer protect your product. But you have been encouraged to invest your money in cane-sugar cultivation, you have been accustomed to feel the protecting arm

of the Government about you—it shall not be withdrawn all at once. We will temper this drastic legislation to you. We will take away one-fourth and leave you three-fourths of the protection you now enjoy for a period of three years, when it will all be withdrawn and you must stand alone. We do this to give you time to substitute for cane some other crop which you can produce and market against all competition."

This was considerate; this was fair. And if you propose to destroy cane-sugar production in Louisiana it is wise to do it with as little waste and loss to the Louisiana farmer as possible.

But why not show the same regard for the producer of wool? For the life of me I can not see why. The report of the Tariff Board makes it plain that the farmers who own the millions of merino sheep, cheafly valuable for wool and of little or no value for mutton, can not compete with the crossbred sheep of Australia and South America without a high protective duty. These merino flocks can not be crossbred into mutton sheep in a single season. They have been taught to raise sheep for wool production alone. Badly taught, if you please, but this has been their teaching, backed up by a governmental tariff policy, upon which they have become dependent.

From this high-tariff altitude you precipitate them without warning to a free-trade level with a crash. This is an unwarranted discrimination against the farmer. It can not be defended as a legislative policy. It can not be defended on any ethical basis.

The woolgrower is not a wrongdoer. He is not to be treated as a malefactor. He is an honest, industrious, American citizen. He works long hours. He practices every economy. He is entitled to the same measure of justice, the same measure of consideration in reducing the existing tariff rates which, by your own declarations made again and again in this debate, you have shown to the manufacturer in granting him a little time, a brief season of grace, to adjust his business to a gradually lowered level of tariff rates.

Mr. President, some days ago I introduced into the Senate an amendment to Schedule K of the pending tariff bill. I have this afternoon presented, and there is already upon the desks of Senators, an amendment upon which I shall ask for a vote before I ask for a vote upon the amendment formerly introduced. The ad valorem duty on wools of the first class at the present is about 49 per cent. I have here an amendment that reduces that duty to 30 per cent for one year, the duty to go into effect on the 1st day of January, 1914. It reduces the duty at the end of a year to 25 per cent, that duty to remain in force for a year, and then the duty is to be reduced to 15 per cent, to continue in force thereafter. For all the paragraphs of Schedule K on the base of each of these duties on raw wool are carefully graded duties on the cloth, measuring the difference in the cost of converting that wool into all the manufactured products between this country and England.

As regarding the duties provided for raw wool in my substitute, the level of rates on wool manufactures, except those upon tops and one or two other items, is substantially the same as the level of rates provided in the pending bill.

Mr. STONE. But the general average is higher.

Mr. LA FOLLETTE. The general average would not be substantially higher, excepting as made so by the fact that there is a duty on raw wool incorporated as the basis. I am pleading with Senators upon the other side that you ought to fairly treat this farm product—this one farm product of all, perhaps, upon which the farmer realizes a protection that is substantial, that is considerable, and which he has had for 40 years, especially when you treat the manufacturer with such consideration. You have left the manufacturer of woolen and worsted products with fairly protective duties, while you have cut the wool producer clear to the bone on his wool.

Now, I am just praying—I do not know whether I am hoping or not—that you will give the farmer a chance to change the type of his sheep. It will take him at least three years to introduce the mutton breeds by crossbreeding. If you will give the farmer a chance, he will save the large amount of capital he has invested in this business. It may be the amount may seem small to some, but I assure you that it is a serious matter to the 600,000 farmers who raise sheep. It seems to me only fair that the farmer should have some consideration. At the end of three years my amendment would leave to the farmer a duty of 15 per cent, but you will have given him a chance to square away and to save himself a little.

Most of you have been in touch one way or another with the farmer. You know what a life of toil he lives, and you are aware of the slow saving and the little economies that make up the life of the farmer. If there is anybody who ought to receive liberal treatment and not be pushed off from not only of the roof but of the cupola of the building, clear down, not to the pavement but into the subcellar, it is the farmer. When you go through this bill from beginning to end, section by section, and see the things that are produced upon the farm which you have put on the free list, do you not think it would let you down a little easier if you could give the farmer this slight protection on wool, where he directly receives some benefit?

Mr. President, the amendment I have proposed makes at its first stage of reduction as deep a cut as you have made in this same schedule on the manufactured product, and if you adopt the amendment, when you come to be arraigned for your harsh treatment on the other products of the farm, you can show here that you have treated with some consideration at least this very important product, the duty on which is not buncombe to more than a half million farmers; that you have given the sheep raiser some show for his capital and a chance to turn around and save himself.

I appeal to you, Senators, to make this gradual reduction in the duties on wool. Although the duties to the manufacturers average higher and you will not, in the general average, have quite the same showing with wool at 30 per cent and the rates fixed on the manufactured products in the amendment, if it be adopted, you will give no more protection than you do in the pending bill, and in the next stage, where the duty on raw wool is fixed at 25 per cent, you will give there no more protection to the manufacturer than he is given in the pending bill, and the same is true in the next stage, where the duty is fixed at 15 per cent; you will then give the manufacturer no higher level of duties than he receives in the pending bill. But you will do a small measure of justice to the farmer and you will make this pending bill more acceptable to that great body of our people who have borne the burdens of excessive duties on everything they have to buy without complaining, but who have never received directly their share of tariff benefits.

Mr. President, I thank the Senate for its very great patience.

Mr. BRISTOW. Mr. President, I should like to make an inquiry of the Senator before he takes his seat. I have undertaken to make a comparison of the duties on manufactured fabrics in the bill with those submitted by the Senator in the first part of his amendment, where he fixes a duty of 30 per cent on wool. Does paragraph 297, embracing cloth, knit fabrics, felts not woven, hosiery, and so forth, correspond to paragraph 15 in the amendment offered by the Senator?

Mr. LA FOLLETTE. I have not before me the notes I have used. The manuscript has been taken from my table just as fast as it was submitted, and I have not it here.

Mr. BRISTOW. Section 15 of the Senator's amendment reads:

> On cloths, knit fabrics, flannels, felts, women's and children's dress goods—

And so forth.

They are practically the same. I notice here that the maximum duty in that paragraph of the Senator's amendment is 55 per cent. That is in the first part, where there is a 30 per cent duty on the raw wool, while the maximum duty in the bill on hosiery is 50 per cent; that is, the duty in the Senator's amendment on the manufactured article of hosiery is 5 per cent higher than the duty in the bill, although he has a duty of 30 per cent on the wool that goes into the hosiery.

Mr. LA FOLLETTE. If the Senator has the corresponding paragraph before him, it is possible that there may be some misprint in one or the other.

Mr. BRISTOW. I do not know that it is a misprint.

Mr. STONE. Mr. President——

Mr. BRISTOW. I have been advised by the Senator from Utah [Mr. SMOOT] that in the bill the rate was reduced by the committee from 50 per cent to 40 per cent.

Mr. LA FOLLETTE. The Senator has the old print.

Mr. BRISTOW. I have the old bill.

Mr. LA FOLLETTE. That may explain it.

Mr. BRISTOW. That may explain it; but still it shows that the bill is exceedingly considerate of the manufactured article. While the Senator has worked out his duties on the manufactured product upon a basis of 30 per cent on raw wool, in no instance do any of his duties run 30 per cent higher on the manufactured articles; so that the duty on wool is not anywhere completely added in this amendment to the duty on the manufactured product, showing that, so far as the bill is concerned, it has treated far more considerately the manufacturers of woolen goods than has the Senator and the Senator's amendment treated the producer of the wool, bearing out the contention that he has made from the beginning, that the duty on the manufactured product in the bill as reported by the committee is very satisfactory indeed as a protective duty.

Mr. STONE. Mr. President, I was a member and chairman of the subcommittee which had charge of Schedule K. The subcommittee gave several weeks of patient consideration to that schedule, and reported the result of its labors to the

whole committee—that is, the majority members—and the schedule was considered by them; afterwards the recommendations of the committee were considered in conference and agreed to.

If it were desirable or advisable, I think a very adequate reply could be made to the criticisms of the Senator from Wisconsin [Mr. LA FOLLETTE] as to the action taken. But I think the debate should be now concluded, and I will say nothing calculated to prolong it. I am unwilling now to enter upon a rediscussion of this question so as further to prolong the consideration of the bill. I have the highest respect for the Senator from Wisconsin. Besides being personally a most lovable gentleman, he has impressed himself with great force on the deliberations of this body and on the just attention of the country. I have only one remark to make of the Senator from Wisconsin—and I say this with the most considerate respect, and in saying it I paraphrase an utterance I read yesterday from our distinguished Secretary of State in a speech he made in Maine a day or two ago descriptive of a Progressive—namely, that the Senator is too good to be a Republican and not quite good enough to be a Democrat.

I should like to have a vote on the amendment of the Senator from Wisconsin.

Mr. JONES. Mr. President, before proceeding to consider the amendment of the Senator from Nebraska [Mr. NORRIS] relating to the inheritance tax, which, as I understand, is the pending amendment, I desire to submit a few general observations with reference to the bill, possibly along lines a little different from the other utterances that have come from this side of the Chamber.

Mr. President, our Democratic friends, in my judgment, have lost a great opportunity to take the tariff out of politics. If they had been courageous enough to accept and carry out the real verdict of the people last fall they would have shown not only great patriotism but great wisdom. The real issue in the people's mind in the campaign was not so much a tariff for revenue or a protective tariff as the revision of the tariff downward. The Democrats declared for a tariff for revenue only. other parties declared for a protective tariff, and the people of the country, while they placed them in power in a constitutional way, really declared against their policy and in favor of a protective tariff. The total vote cast at the election last fall was 14,720,037. On the tariff-for-revenue platform there were cast 6,292,718 votes, or practically 2,500,000 less than the opposing parties cast. The Republicans declared in their platform:

> We reaffirm our belief in a protective tariff.
>
> The Republican tariff policy has been of the greatest benefit to the country, developing our resources, diversifying our industries, and protecting our workingmen against competition with cheaper labor abroad, thus establishing for our wage earners the American standard of living. The protective tariff is so woven into the fabric of our industrial and agricultural life that to substitute for it a tariff for revenue only would destroy many industries and throw millions of our people out of employment. The products of the farm and of the mine should receive the same measure of protection as other products of American labor.
>
> We hold that the import duties should be high enough, while yielding a sufficient revenue, to protect adequately American industries and wages. Some of the existing import duties are too high and should be reduced. Readjustment should be made from time to time to conform to changing conditions and to reduce excessive rates, but without injury to any American industry. To accomplish this, correct information is indispensable. This information can best be obtained by an expert commission, as the large volume of useful facts contained in the recent reports of the Tariff Board has demonstrated.
>
> The pronounced feature of modern industrial life is its enormous diversification. To apply tariff rates justly to these changing conditions requires closer study and more scientific methods than ever before. The Republican Party has shown by its creation of a Tariff Board its recognition of this situation and its determination to be equal to it. We condemn the Democratic Party for its failure either to provide funds for the continuance of this board or to make some other provision for securing the information requisite for intelligent tariff legislation. We protest against the Democratic method of legislating on these vitally important subjects without careful investigation.

And the Progressives declared in their platform as follows:

> We believe in a protective tariff which shall equalize conditions of competition between the United States and foreign countries, both for the farmer and the manufacturer, and which shall maintain for labor an adequate standard of living. * * * Fair dealing toward the people requires an immediate downward revision of those schedules wherein duties are shown to be unjust or excessive.
>
> We pledge ourselves to the establishment of a nonpartisan scientific tariff commission, reporting both to the President and to either branch of Congress, which shall report, first, as to the costs of production, efficiency of labor, capitalization, industrial organization and efficiency, and the general competitive position in this country and abroad of industries seeking protection from Congress; second, as to the revenue-producing power of the tariff and its relation to the resources of government; and, thirdly, as to the effect of the tariff on prices, operations of middlemen, and on the purchasing power of the consumer. * * * The Democratic Party is committed to the destruction of the protective system through a tariff for revenue only—a policy which would inevitably produce widespread industrial and commercial disaster.

Both of these parties declared definitely for a protective tariff and a tariff commission, and the vote cast was 7,426,640, or more than half of the total vote and over a million votes more than were cast for Mr. Wilson.

Clearly the people did not declare for a revenue tariff. They did not place you in power because of your tariff declaration, but despite it. You have been given an opportunity to act as statesmen and patriots instead of partisans. You could have avoided the reproach that must come to you and to representative government by the arbitrary secret-caucus methods that you have adopted, and which are, in fact, necessary, if you would carry out your platform promises on the tariff. You should have accepted the verdict as disclosed by the vote at the election. You should have said that the people have not declared for a revenue tariff but for a revision downward. We will accept that verdict, and we ask the Republicans to join with us in the open Senate and work out a tariff bill that will be a substantial reduction in the present tariff rates, but take into account, so far as possible, the conditions at home and abroad, and we will provide for a tariff commission and lay down a rule for its guidance that will enable it from time to time to readjust our tariffs in a scientific way and without any disturbance to business. In this way the tariff question would have been settled and taken out of politics, constitutional and representative government would have been exemplified, and the will of the people fully carried out.

There are those who object to a tariff commission. When I entered the Senate four years ago I was opposed to a tariff commission. I had never gone through a revision of the tariff and had no knowledge of what a problem it is. But before we had concluded the consideration of the Payne-Aldrich bill I was convinced that we should have a commission at least to gather the facts in an impartial way and submit the same to Congress for its information, to be used by it in revising the tariff. Having participated in another tariff revision, I am fully convinced not only that we should have a tariff commission, but that such a commission should be given full power, in accordance with a rule or standard laid down by Congress, to revise the tariff and fix the rates. Surely no one can watch the proceedings here from day to day without being convinced that no method could be devised under which the tariff would be revised in a more haphazard, hit-or-miss, ignorant way than it is revised by this Senate.

We have been considering this bill from day to day, but few of us have acted upon any of its provisions or amendments that have been offered upon any definite, certain, and detailed information of our own. Our votes have been cast for or against provisions upon such information as has been given to us by Members on the floor who have given particular attention to a particular topic, and but few of us have listened to this information. Most of us have voted upon the majority of the items simply because those in charge on this side or that side voted in a certain way. When I say this I am not criticizing anyone, but am simply stating what everyone knows to be a fact. It can not be otherwise. No man on this floor can acquaint himself with all the business interests and industries affected by this bill in the short space of time permitted him, with the multitude of other matters that must be attended to at the same time. He must vote without information, without knowledge, except that he votes this way or that because he believes it is in accordance with a general principle or because he has confidence in some one who has given a particular matter special consideration. Often during the consideration of this bill and the adoption of amendments not 15 Senators have been present, and often when roll calls have been had the great majority of the Senate would come in and vote simply as their party associates voted. Yesterday an amendment consisting of several pages was presented about which no one outside of the committee knew anything, and we were asked to vote without any explanation whatever. If Congress were to levy a certain tax for revenue purposes and provide a commission and direct it after careful consideration to fix such rates upon certain imports as it found would afford ample protection to our labor and our industries, a far more equitable, accurate, and scientific tariff system would be developed than we can possibly provide for in the method that we must now pursue. The people are impatient at the delay in the passage of this bill and if they could watch us here in our deliberations they would be disgusted with us or our procedure. The need of dealing with the tariff in an entirely different way is imperative. I can not blame the Democratic Party for proceeding to carry out its platform, but it has neglected a great opportunity to commend itself to the people as a great, brave, patriotic, statesmanlike organization.

Mr. President, caucus is king. This bill was prepared in a secret caucus of the Democratic Members of the House. Republicans had nothing to do with it. It came to this body and was referred to the Committee on Finance, and its various schedules

were referred to different subcommittees composed entirely of Democrats. The Republicans were eliminated from its consideration. These subcommittees considered the schedules and submitted their reports to the Democratic membership of the committee, and the bill, with certain amendments, was finally agreed upon. The bill and these proposed amendments were referred, not to the full membership of the committee but to the caucus of the Senate Democrats. It was there considered secretly, amended, and agreed upon, and a resolution passed declaring it to be a party measure, two Senators, we understand from press reports, being given permission to vote against it on final passage and also reserving the right to vote against any amendments or for any amendments they saw fit. At 11.30 o'clock on the morning of July 11, 1913, the bill as agreed to in caucus was referred to the full committee of Democrats and Republicans and at 2 o'clock of that day was reported without change to the Senate.

So far as the preparation of the bill is concerned, Republican Senators might just as well have been at home. They had nothing to do with it and no influence in connection with it, and those States without Democratic Senators had no representation or part in the preparation of this measure, and their interests and industries had no representation except by proxy. No matter how unjust this bill may be to any industry in my State, no matter how just and desirable an amendment may be, you will all vote "No" because a caucus has so decided. The bill is going through a form of consideration in the Senate, but no amendments of any consequence, however meritorious, can or will be adopted, because of the binding action of the caucus upon the members of the majority, unless a further decree be issued by the caucus authorizing the adoption of the same.

Mr. President, this is simply a plain statement of the facts. I do not complain at the action of our Democratic friends; they have no doubt acted wisely under the circumstances. If we Republicans had held conferences four years ago we could have harmonized our differences on the tariff; the schedules would have been wisely and fairly revised in harmony with the principles of protection; the people would have been satisfied and the Republican Party would be in control of this Government to-day; business would be buoyant and confident and prosperity would be increasing by leaps and bounds. The course the majority has taken is the course necessary as long as tariffs are to be revised by Congress and party lines are drawn on revenue and protective principles. If all were for a tariff for revenue only, that policy could be carried out in a bill framed in the open Senate, each Senator expressing by his vote here on amendments his individual judgment rather than the aggregate judgment of the entire membership. If all believed in protection, the same action could be followed. That is the course we really ought to take. I hope that we will all be for a revenue tariff or all for a protective tariff. Until this time comes the wisest and most patriotic course to take, however undesirable we may regard it, is for the party in power to harmonize its differences in free and open discussion among its membership, each individual expressing his views and opinions, and accepting the aggregate wisdom of his party as his policy when he can do so conscientiously.

Mr. CLAPP. Mr. President, with the Senator's permission, I should like to ask him a question. What should he do if he can not do that?

Mr. JONES. Then he should, of course, vote against the decree of his party caucus. The party caucus should not take the place or usurp the functions of the legislative body, and no Senator should allow the caucus decree to interfere with his action as a legislator.

As I was proceeding to say, I will never be bound by any caucus, but I am glad to meet my colleagues and confer over matters of party, and after full and careful deliberation I am willing to waive my individual judgment to the judgment of the majority, in so far as I can conscientiously do so, on matters of detail.

The only complaint I have to make of our Democratic friends is that they have professed such an abhorrence for the methods heretofore pursued by the Republicans of the House and the Senate and sought the people's support in order to put a stop to the arbitrary rules which they claimed were followed and adopt new and better methods, and now they have gone so far beyond what was ever thought of in arbitrary and despotic methods that they must appear to the people of the country, when it is fully realized what has been done and the course taken, as loud-speaking Pharisees. They certainly will not be able to deceive the people again.

Mr. President, the people want this bill passed. They know it is going to pass and they do not understand the delay. They want uncertainty ended. If the bill works well every one will be pleased and we will all be for the revenue tariff hereafter and can enter upon a revision of this bill in due time without any necessity for the caucus. If it works ill, if it disturbs business, if it reduces wages, if it brings disaster to the country—and I hope it will not—then we will all be for the protective tariff and will place it on the statute books in a proper way and provide for a commission that will bring about an undisturbing, scientific way of changing the tariff.

I believe in a protective tariff. I believe it promotes happiness, comfort, and prosperity among our people. I believe it is best for labor and best for the welfare, growth, development, and prosperity of the country. I voted for the Payne-Aldrich law, not because I approved all of its provisions, because I did not, but because it contained so many important provisions in it that met my approval that I deemed it better for the conditions then existing than the law then in force. I wish I could vote for this bill, but I can not. It has some good things in it. I am for the income-tax provision, although it does not go as far as I would like. I am for many of the duties in the bill, but it is so unfair, so unjustly discriminatory, and so fundamentally against my beliefs that I must vote against it, with the sincere hope, however, that it will be shown that I am wrong and that the bill will fully justify the sincere hopes of those who favor it. I know the Democrats are sincere in their belief that this bill will promote the well-being of the people of this country. I am willing for it to go into effect under as favorable circumstances as possible. I am not even going to express my fears, but it goes forth with my hope that no laborer will be thrown out of employment or have his wages reduced by it; that the farmer's markets will not be restricted nor his prices lessened; that the railroads of the country may continue to be taxed to the utmost to carry the products of the country to and from the market places at diminishing rates and increasing profits; that financial institutions may increase their rates on deposits and decrease the interest on their loans; that manufacturers may continue working day and night, paying their laborers better wages and working them shorter hours; that merchants will continue prosperous; that clearing-house returns will grow larger; that deposits in savings banks will continue to grow; that new business blocks and comfortable homes will continue to be erected; that public and private improvements will continue with unabated activity; that our foreign commerce may increase, and that the unexampled prosperity that now blesses the land, under Republican laws and policies, may not only continue but increase under this Democratic law.

Mr. President, just a word upon other matters that will come up for our consideration. I have the utmost confidence in the high purposes and lofty patriotism of President Wilson, not only as to our foreign but also our domestic affairs, and every effort he may make to preserve peace between this and other countries shall have my unqualified support. If I do not approve his acts, I shall not embarrass his efforts by my criticism. Partisanship can have no place in our foreign relations; patriotism alone should control in the solution of such problems. While solicitous for the preservation of the lives and property of our citizens in foreign countries, we must not overlook the property that must be consumed and the lives that must be sacrificed of citizens who have remained at home if war comes between us and any other country. I am sure the President has all these things in mind, and behind him are our people, regardless of politics.

The currency question is coming up. On it there is no line of party division. It should be kept out of politics, and we should consider it as statesmen and not as partisans. There may have been justification for caucus action on the tariff, but, gentlemen, there is no excuse for caucus action on the currency. This question should be considered by the entire committee having charge of it, and they should present a bill to the Senate that can be considered freely and fully and finally passed in such shape as may meet the wish and patriotic judgment of the majority in this body. Such a course is expected by the people and will justify the wisdom of constitutional and representative government, and this great question will be solved for the best interests of the people and the Government.

Now, Mr. President, I desire to consider for awhile the amendment offered by the Senator from Nebraska [Mr. NORRIS] in connection with one which I have pending. On the 8th of April I introduced a bill providing for an inheritance tax, and on the 23d of August I proposed an amendment to the pending bill which incorporates many of the provisions of the amendment of the Senator from Nebraska. I am heartily in favor of his amendment and I intend to vote for it. I desire to direct the attention of the Senate to some of the provisions of the amendment which I offered, and in the discussion of it of course I shall discuss it in a way that will apply to the amendment of the Senator from Nebraska as well.

We are accustomed to boast of the amazing growth and progress of our country and its wonderful commercial activity. Prosperity is so general and so great that the question as to the effect of the pending legislation is whether it will permit this prosperity to continue unabated rather than will it increase it. With all this prosperity, however, he is blind indeed who does not recognize that discontent, distrust, and dissatisfaction are growing among our people. Many think that our legislative efforts are directed more to the protection of property and property rights than toward the real betterment and uplift of the people. It is charged that those who really need help and assistance are neglected. We depend upon the indirect effect that may come to the poor and struggling from the protection and encouragement afforded to property and property rights. I fear there was too much basis for this feeling in the not distant past and too much for it now.

A law has just been passed in one of the great States of the Union with reference to child labor and one of its leading papers makes this statement regarding it:

This measure fixes the age limit at which children may be employed in manufacturing and commercial enterprises at 12 in 1914; at 14 in 1915; and at 16 in 1916. It is expected by this gradual increase from year to year to check the evils arising from the employment of young children without serious embarrassment to employers.

While such legislation ultimately will be of benefit to the children, their rights and welfare must give way to the financial interests, and the evils that come to the child must be endured, for a time in a lessening degree, rather than to bring serious embarrassment to financial interests. The reverse should be the case; financial interests should suffer rather than the children.

I am glad to say, however, that a radical change is coming in this respect. The rights of humanity are being placed more and more above the rights of commercialism. Much legislation tending in this direction has been enacted during the last few years. Laws have been and are being passed to equalize opportunity, to prevent discrimination and rebates, to protect the weak, to shorten hours and improve conditions of labor, to protect children and insure their education, to guard the health of women, to insure sanitary and healthful conditions for the home and about the workers, to curb rapacity in business and promote the general welfare of the masses, and to make life mean more of happiness and comfort to them. This, after all, is the highest function of government. If government does not mean happiness, contentment, and equal opportunity, it means nothing. The questions involved are far above party. They are questions of humanity, and the end to be sought is one upon which we all agree, although we may differ as to the methods of reaching the proper solution. As one step in the direction of the solution of these questions, I have offered this amendment.

It provides for a tax on inheritances, which are divided into two classes, direct or lineal and indirect or collateral. The rate of taxation is determined by the value of the individual inheritance and not by the value of the estate. The rate on direct inheritances is comparatively small and the exemption large. A father, mother, husband, wife, child, brother, sister, wife or widow of a son, or the husband of a daughter, or any child or children adopted may take any amount less than $25,000 free of taxation. On other amounts the rate is as follows:

	Per cent.
$25,000 and up to $50,000	1
Above $50,000 and up to $250,000	2
Above $250,000 and up to $500,000	3
Above $500,000 and up to $1,000,000	4
Above $1,000,000 and up to $5,000,000	7
Above $5,000,000 and up to $10,000,000	15
Above $10,000,000 and up to $20,000,000	25
Above $20,000,000 and up to $30,000,000	35
Above $30,000,000	50

In collateral inheritances there is no exemption, and the rate of taxation is as follows:

	Per cent.
$5,000 and less	1
Above $5,000 and up to $50,000	2
Above $50,000 and up to $250,000	5
Above $250,000 and up to $750,000	10
Above $750,000 and up to $1,500,000	15
Above $1,500,000 and up to $3,000,000	20
Above $3,000,000 and up to $7,000,000	25
Above $7,000,000 and up to $15,000,000	40
Above $15,000,000	50

In the consideration of this amendment we are met at the threshold by the objection that is always made to any legislation that may affect capital. It is urged that it is unconstitutional. Happily this objection has been met by the Supreme Court of the United States in no uncertain way and is no longer open to argument. In the war-revenue act of 1898 a graduated inheritance tax was levied. Capital, as it always does, resisted the payment of the slight burden which this law imposed upon it and carried the question to the Supreme Court of the United States, and in Knowlton *v.* Moore, 178 U. S., at page 109, the court said:

Lastly, it is urged that the progressive-rate feature of the statute is so repugnant to fundamental principles of equality and justice that the law should be held to be void, even although it transgresses no express limitation in the Constitution. Without intimating any opinion as to the existence of a right in the courts to exercise the power which is thus invoked, it is apparent that the argument as to the enormity of the tax is without merit. It was disposed of in Magoun *v.* Illinois Trust & Savings Bank, 170 U. S., 283, 293.

The review which we have made exhibits the fact that taxes imposed with reference to the ability of the person upon whom the burden is placed to bear the same have been levied from the foundation of the Government; so, also, some authoritative thinkers and a number of economic writers contend that a progressive tax is more just and equal than a proportional one. In the absence of constitutional limitation, the question whether it is or is not is legislative and not judicial. The grave consequences which it is asserted must arise in the future if the right to levy a progressive tax be recognized involves in its ultimate aspect the mere assertion that free and representative government is a failure and that the grossest abuses of power are foreshadowed unless the courts usurp a purely legislative function.

This opinion was rendered by Justice White, now Chief Justice of the Supreme Court. All the other judges, except Justice Brewer, concurred in the opinion so far as it held that a progressive rate of taxes can be constitutionally imposed.

The tax proposed is not new. It has been adopted in principle by 30 or more States in the Union and by almost every civilized nation in the world. In Magoun *v.* Illinois Trust & Savings Bank, 170 U. S., at page 287, the court says:

Legacy and inheritance taxes are not new in our laws. They have existed in Pennsylvania for over 60 years, and have been enacted in other States. They are not new in the laws of other countries. In State *v.* Alston (94 Tenn., 674) Judge Wilkes gave a short history of them as follows:

"Such taxes were recognized by the Roman law. (Gibbon's Decline and Fall of the Roman Empire, vol. 1, pp. 163, 164.) They were adopted in England in 1780, and have been much extended since that date. (Dowell's History of Taxation in England, 148; Acts 20 George III, c. 28; 45 George III, c. 28; 16 and 17 Victoria, c. 51; Green *v.* Craft, 2 H. Bl., 30; Hill *v.* Atkinson, 2 Merrivale, 45.) Such taxes are now in force generally in the countries of Europe. (Review of Reviews, Feb., 1893.) In the United States they were enacted in Pennsylvania in 1836; Maryland, 1844; Delaware, 1869; West Virginia, 1887, and, still more recently, in Connecticut, New Jersey, Ohio, Maine, Massachusetts, 1891; Tennessee in 1891, chapter 25, now repealed by chapter 174, acts 1893. They were adopted in North Carolina in 1846, but repealed in 1883. Were enacted in Virginia in 1844, repealed in 1855, reenacted in 1863, and repealed in 1884."

Other States have also enacted them—Minnesota by constitutional provision.

The constitutionality of the taxes has been declared, and the principles upon which they are based explained in United States *v.* Perkins (163 U. S., 625, 628), Strode *v.* Commonwealth (52 Penn. St., 181), Eyre *v.* Jacob (14 Grat., 422), Schoolfield *v.* Lynchburg (78 Va., 366), State *v.* Dalrymple (70 Md., 294), Clapp *v.* Mason (94 U. S., 589), In re Merriam's Estate (141 N. Y., 479), State *v.* Hamlin (86 Me., 495), State *v.* Alston (94 Tenn., 674), In re Wilmerding (117 Cal., 281), Dos Passos Collateral Inheritance Tax (20), Minot *v.* Winthrop (162 Mass., 113), Gelsthrope *v.* Furnell (Mont.) (51 Pac. Rep., 267). See also Scholey *v.* Rew (23 Wall., 331).

In France the rates run from 1 per cent to 20½ per cent, with no exemptions, the rate of 20½ per cent being upon inheritances over 50,000,000 francs, or $10,000,000, going to relatives beyond the sixth degree and strangers in blood.

I have tables here giving the inheritance tax of different countries, which I ask may be put in the RECORD without reading.

There being no objection, the tables were ordered to be inserted in the RECORD, as follows:

	1 to 2,000 francs.	2,001 to 10,000 francs.	10,001 to 50,000 francs.	50,001 to 100,000 francs.
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*
Direct line	1.00	1.25	1.50	1.75
Husband or wife	3.75	4.00	4.50	5.00
Brothers or sisters	8.50	9.00	9.50	10.00
Uncles and aunts, nephews and nieces	10.00	10.50	11.00	11.50
Great-uncles and great-aunts, grand-nephews and grandnieces, cousins-german	12.00	12.50	13.00	13.50
Relatives of the fifth and sixth degrees	14.00	14.50	15.00	15.50
Relatives beyond the sixth degree and strangers in blood	15.00	15.50	16.00	16.50

	100,001 to 250,000 francs.	250,001 to 500,000 francs.	500,001 to 1,000,000 francs.	Over 1,000,000 francs.
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*
Direct line	2.00	2.50	2.50	2.50
Husband or wife	5.50	6.00	6.50	7.00
Brothers or sisters	10.50	11.00	11.50	12.00
Uncles and aunts, nephews and nieces	12.00	12.50	13.00	13.50
Great-uncles and great-aunts, grand-nephews and grandnieces, cousins-german	14.00	14.50	15.00	15.50
Relatives of the fifth and sixth degrees	16.00	16.50	17.00	17.50
Relatives beyond the sixth degree and strangers in blood	17.00	17.50	18.00	18.50

	1,000,001 to 2,000,000 francs.	2,000,001 to 5,000,000 francs.	5,000,001 to 10,000,000 francs.	10,000,001 to 50,000,000 francs.	Over 50,000,000 francs.
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Direct line	3.00	3.50	4.00	4.50	5.00
Husband or wife	7.00	7.50	8.00	8.50	9.00
Brothers or sisters	12.00	15.50	13.00	13.50	14.00
Uncles and aunts, nephews and nieces	13.50	14.00	14.50	15.00	15.50
Great-uncles and great-aunts, grand-nephews and grand-nieces, cousins-german	15.50	16.00	16.50	17.00	17.50
Relatives of the fifth and sixth degrees	17.50	18.00	18.50	19.00	19.50
Relatives beyond the sixth degree and strangers in blood	18.50	19.00	19.50	20.00	20.50

Mr. JONES. In Germany the rate runs from 4 per cent on amounts over 20,000 marks, or $5,000, to 25 per cent on amounts over 1,000,000 marks, or about $250,000. In addition they have a State or Province tax.

In Great Britain there are legacy, succession, and death duties which amount to a graduated tax of about 1 per cent on estates between $500 and $2,500 in value and from 10 to 23 per cent on estates up to and exceeding $15,000,000. In the dependencies of Great Britain inheritance taxes are levied varying from 2 to 20 per cent on collateral heirs and strangers in blood and from 1 to 10 per cent on direct heirs.

I have also a table giving the rates in Great Britain and her Provinces, which I ask be published in the RECORD without reading.

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

Progressive inheritance taxes in foreign countries.

Country.	For collateral heirs.		For direct heirs.		Strangers in blood.		Progressivity (on basis of property).	Other exemptions.
	Rate per cent.	Exemption.	Rate per cent.	Exemption.	Rate per cent.	Exemption.	Rate per cent.	
Australasia:								
New South Wales	2–10	£1,000	[1] 1–5	£1,000	2–10	£1,000	2–10	
New Zealand	2½–10	100	1½–5	100	5½–13	100	2½–10	
Queensland	2–10	200	1–5	200	4–20	200	2–10	Legacies, £20.
South Australia	1–10	200	1½–10	500	10	None.	[3] 1–10	
Western Australia	1–10	[3] 1,500	[4] ½–10	[3] 1,500	1–10	[3] 1,500	½–10	
Victoria	2–10	1,000	[5] 1–5	1,000	2–10	1,000	2–10	
Canada:								
British Columbia	5–10	$5,000	1½–5	$25,000	10	$5,000	[6] ½–5	
Manitoba	1–10	4,000	2–10	25,000	1–10	4,000	1–10	Share, $10,000.[7]
New Brunswick [8]	5–10	5,000	1½–5	50,000	10	5,000	[6] 1½–5	Share, $200.
Nova Scotia [9]	5–10	5,000	2½–5	25,000	10	5,000	[6] 2½–5	Share, $500.
Ontario [9]	5–10	10,000	2½–5	100,000	5–10	10,000	[7] 2½–10	Share, $200.
Prince Edward Island [9]	2½–7½	3,000	1½–2½	10,000	7½	3,000	[6] 1½–2½	
Quebec	3–8	.....	½–3	3,000	10	.....	[6] ½–3	
Great Britain: [10]								
Estate duty [11]	1–8	£100	1–8	£100	1–8	£100	1–8	{£300 30s. tax.[12] £500 50s. tax.
Legacy duty [13] [14]	3–10	.....	[15] 1	.....	10	.....	.....	
Succession duty [14] [16]	4½–11½	£20	[15] 1½	£20	11½	£20	.....	
Switzerland:								
Lucerne	5½	Legacy 50 fr.	1	5,000 fr.	20	Legacy 50 fr.	[17] 1–40	
Schaffhausen	2–8	Share 200 fr.	.....	.....	10	Share 200 fr.	[18] 2–20	Employees 1,000 fr.
Zurich	2–10	Legacy 1,000 fr.	.....	.....	10	Legacy 1,000 fr.	[19] 2–15	Servants 1,000 fr.

[1] One-half of collateral rates on amounts not exceeding £50,000. In certain cases the rate applies to distributive shares.
[2] Progression ceases with collateral heirs at £20,000 and with direct heirs at £200,000.
[3] £1,500 exempted if estate does not exceed £2,500; if in excess, no exemption.
[4] Direct heirs pay one-half of collateral rates.
[5] One-half of the collateral rates on property passing to certain direct heirs when total net value does not exceed £50,000.
[6] Progressive schedule applies only to direct heirs. Progressivity on basis of property.
[7] Share passing to immediate relatives.
[8] Schedule rates doubled on property passing by transfer out of the Province.
[9] Proceeds devoted to asylums, hospitals, and other charities.
[10] Great Britain has also a "probate duty," "account duty," "temporary estate duty," and a "corporation duty."
[11] Paid upon the principal value of all property, real or personal, settled or unsettled. Settled property is subject to a further estate duty of 1 per cent.
[12] Small estates up to £300 gross pay a duty of 30s. Small estates up to £500 pay a duty of 50s. These duties are inclusive of all other "death duties."
[13] Legacy of any value, and any share of residue of personal estate arising under will or intestacy.
[14] Succession duty applies to a succession of the value of £20 or upward, where the whole succession derived from the same predecessor amounts to £100 or upward. One-half of 1 per cent of the succession duty on lineals and 1½ per cent on other descendants constitutes what is called "additional succession duties." This additional duty is not payable when the property subject to the succession duty is chargeable with estate duty.
[15] Rate applies to child, descendant of child, father, mother or lineal ancestor and is not payable where probate or letters of administration were obtained or where "account duty" or "estate duty" has been paid.
[16] The "legacy duty" and "succession duty" together practically constitute a collateral inheritance tax paid in addition to the "estate duty," with the exception, however, that estates valued at £1 000 or less are subject to the "estate duty."
[17] 1 to 20 per cent on amounts up to 10,000 francs. Rate then increases by $\frac{1}{10}$ through a series of 10 steps until it becomes $\frac{1}{8}$ higher than the primary rate.
[18] 2 to 10 per cent on amounts between 2,000 and 10,000 francs. Rate then increases $\frac{1}{10}$ for each additional 10,000 francs until it becomes $\frac{1}{8}$ higher than the primary rate.
[19] 2 to 10 per cent on amounts up to 10,000 francs. Rate then increases by $\frac{1}{10}$ for each additional 10,000 francs until it becomes $\frac{1}{10}$ higher than the primary rate.

Mr. JONES. In Lucerne, Switzerland, the rate is 1 per cent for direct heirs, from 5 to 15 for collateral heirs, and from 20 to 40 to strangers in blood.

Objection is made to a national inheritance tax on the ground that it will interfere with the right of the States to collect inheritance taxes and be in effect a double tax. This is not a valid objection. The levying of an inheritance tax by the United States does not in any way affect the right of the State to levy such a tax. It may put an additional burden upon an estate or inheritance, but the aggregate of such a burden is not too great. State inheritance taxes are very low as a general rule, and especially so upon direct inheritances.

Inheritances are now taxed to a greater or less extent in 36 States of the Union and in Hawaii and in Porto Rico. Twenty States of the Union tax both direct and collateral heirs, and in 13 States the inheritance tax is in some degree progressive. Wisconsin, California, Idaho, Minnesota, and Massachusetts have progressive rates for both direct and collateral heirs; in Illinois, Colorado, Nebraska, South Dakota, Oregon, and North Carolina the progressive rates apply only to distant relatives and strangers in blood, while in Washington and Texas they apply to all collateral heirs. Minnesota and Utah make no distinction between direct and collateral heirs; in all other cases in which direct heirs are taxed at all the rates are much lower and the exemption (except in Connecticut and North Carolina) much larger than for collateral heirs. It may be added that the new constitution of Oklahoma expressly authorizes progressive taxation of both direct and collateral inheritances.

The following table shows the main provisions of the inheritance-tax laws of the various States in the Union.

State.	Collateral.		Direct.	
	Rates.	Exemption.	Rates.	Exemption.
	Per cent.		*Per cent.*	
Arkansas	5			
California	1½–15	$500–$2,000	1–3	[1] $4,000
Colorado	3–6	500	2	10,000
Connecticut	3	10,000	½	10,000
Delaware [2]	5	500		
Idaho	1½–15	500– 2,000	1–3	[1] 4,000
Illinois	2–6	500– 2,000	1	20,000
Iowa	5	1,000		
Kentucky	5	500		
Louisiana [3]	5		2	10,000
Maine	4	500		
Maryland	2½	500		
Massachusetts	3–5	1,000	1–2	10,000
Michigan	5	100	[4] 1	2,000
Minnesota	1½–5	10,000	1½–5	10,000
Missouri	5			
Montana	5	500	[4] 1	7,500
Nebraska	2–6	500– 2,000	1	10,000
New Hampshire	5			
New Jersey	5	500		
New York	5	500	1	10,000
North Carolina	1½–15	2,000	¾	2,000
North Dakota	2	25,000		
Ohio	5	200		
Oregon	2–6	500– 2,000	1	[5] 5,000
Pennsylvania	5	250		
South Dakota	2–10	100– 500	1	5,000
Tennessee	5	250		
Texas	2–12	500– 2,000		
Utah	5	10,000	5	10,000
Vermont	5			
Virginia	5			
Washington	3–12		1	10,000
West Virginia	3–7½		1	20,000
Wisconsin	1½–15	100– 500	1–3	12,000
Wyoming	5	500	2	[6] 10,000

[1] Widows and (except in Wisconsin) minor children taxable only on the excess above $10,000 received by each.
[2] Tax payable only by strangers in blood.
[3] Tax not payable when the property bore its just proportion of taxes prior to the owner's death.
[4] Applies to personal property only.
[5] Decedents' estates of less than $10,000 are also exempt.
[6] For the surviving husband or wife and children, if residents of Wyoming, $25,000.

I have received a statement from nearly every State in the Union which collects inheritance taxes, and the following table shows the amount of the taxes collected during the last year:

	Collections.	Year.
Arkansas	$41,948.79	1911–12
California	1,575,000.00	1913
Connecticut	1,080,482.20	1912
Colorado	413,700.00	1911–12
Idaho	8,449.24	1910–1912
Illinois	3,685,368.06	1912
Indiana [1]		
Iowa	250,486.80	1912
Louisiana	195,058.97	1912
Maine	276,052.02	1912
Massachusetts	2,210,960.20	1912
Michigan	368,676.73	1912
Minnesota	678,512.99	1912
Missouri	479,472.35	1912
Montana	8,959.40	1912
Nevada [2]		
New Hampshire	171,639.34	1912
New York	12,153,188.84	1911–12
Ohio	80,000.00	1912
Oregon	74,269.40	1912
Pennsylvania	2,064,598.65	1912
Texas	47,579.00	1912
Utah	120,000.00	1912
Vermont	92,716.71	1912
Virginia	43,763.13	1912
Washington	307,151.81	1911–12
West Virginia	168,233.37	1912
Wisconsin	783,538.90	1912
Total	27,379,906.90	

[1] Went into effect May, 1913. [2] Act approved Mar. 26, 1913.

I desire to call the attention of the Senate to the disparity or inequality in the various State taxes. For instance, in the great State of Ohio they collected in 1912 only $80,000 inheritance taxes, while in the State of New York they collected over $12,000,000.

The total amount collected in the States is a mere bagatelle compared with the value of the property which doubtless was transferred by inheritance during the year and but a small recompense for the outlay by the State for the protection of this property and the safeguarding of the rights of its possessors. It would be no undue burden for the National Government also to take a part of this wealth because of the protection it affords and the guaranties it extends to the owners in insuring them the undisturbed enjoyment of their property and rights. It is no more double taxation than is the levying of State and county taxes.

Under the amendment which I propose, however, the objection that it is double taxation can not be urged. It is expressly provided that the amount of any State inheritance taxes shall be deducted from the amount levied under this amendment. Under such a provision it would rest with each State whether any part of their tax would go to the United States and the States would, no doubt, very shortly impose rates equivalent to those provided in this amendment. We would have uniform inheritance laws under which revenues would accrue to the States that could be used for relieving the people of the various burdens of taxation which they now bear and many desired improvements and reforms could be carried out by the agency best fitted to do it.

It is strenuously urged that this tax is confiscation of private property. Not so. It is not levied upon property while he who earns it needs it. No one's property is affected while he lives. The tax is imposed only when the owner no longer needs his property and can no longer use it. Ordinary taxes are in fact pro tanto confiscations of one's property, but this is not. It takes nothing from the heir, because nothing is his. What he gets comes to him by the grace of the sovereign and the bounty of the decedent. He has nothing to confiscate. This objection is pure declamation.

This tax is called socialistic and it seems to be taken for granted that this objection is sufficient to defeat it. It is no more socialistic than any other legislation that deals justly with the people, equalizes opportunity, lightens the burdens of government, and promotes prosperity, good will, happiness, peace, and contentment. It respects entirely one's rights in property ultimately acquired, is the very antithesis of socialism and the principles of socialism applied to property, and does not interfere with nor overturn private or individual rights. An inheritance tax may be advocated by some Socialists, but I do not know of any who advocate it as a socialistic principle or doctrine. It is advocated, however, by many who are not Socialists.

And I say when these millionaires, as the time comes, lie down with their fathers the community fails in its duty and our legislators fail in their duty if they do not exact a tremendous, a progressive share—if he leaves little, little taken.

This is not the language of a Socialist, an anarchist, or a poor man, but it is the language of one of the richest men of this or any other age, Andrew Carnegie.

Again Mr. Carnegie says, and I refer to an address made by him at the dinner of the sixth annual meeting of the National Civic Federation in 1907:

They—

Said he, referring to the people—

see what I tell you is true, that the community made most of the wealth, and I hope they will persist and tax heavily by graduated taxation every man who dies leaving behind him his millions, which it was his duty to administer for the public good in his life, and that they will cease to honor any man who does not regard his surplus wealth as a sacred trust to be administered for the good of the community from which it has arisen.

At this same meeting Melville E. Ingalls, chairman of the Cleveland, Cincinnati, Chicago & St. Louis Railway Co., expressed himself in favor of an income tax and also an inheritance tax, and while he suggested that an inheritance tax should be confined to the States, advanced a more radical proposition when he said:

If it can not be managed in that way then the National Government should take it up and the money that is obtained from these sources will enable it to reduce the burden of taxation in places where it is advisable to do so and will produce income which may be lost from the modification of the tariff. I would also enact legislation—or if it can not be done under the present Constitution, I would get an amendment—that no man should have the right to dispose of his property by will and that when he dies it shall be divided equally among heirs. I would take away from any citizen the right to tie up any property in trust for one life or two or more. It is simply a continuance of the old law of entail under another form and holds these immense fortunes together when if they were divided equally among the heirs they would soon scatter and be harmless. I know that this will be criticized and people will say that if a man has children and some are weak and incompetent to handle the fortune coming to him or her that the parent should have the right to put them in trust, but that is the very thing that perpetuates some of these large fortunes. Let them be distributed. If some of the heirs waste their inheritance the public will gain. The property is not lost by distribution and nothing, in my judgment, will so protect our future against large accumulations of wealth as this.

It seems to be a craze with some men to perpetuate after their death the immense fortunes that they have built up, but it is not a thing that the State ought to allow.

Mr. GALLINGER. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from New Hampshire?

Mr. JONES. Certainly.

Mr. GALLINGER. Has the Senator taken into consideration this phase of the matter, that if we legislate for a Federal inheritance tax and the States have direct and collateral inheritance taxes, it is very likely that it will result in the distribution of a great deal of property before death, and we will not get our taxes?

Mr. JONES. I think that would be very desirable.

Mr. GALLINGER. The Senator would approve of that?

Mr. JONES. I would. I should like to see the distribution before death. I do not want to see the transmission of large estates after death.

Mr. GALLINGER. Yet it would result in the very thing the Senator says he would legislate against, in making it illegal for a man to make a will to distribute his property among his children.

Mr. JONES. The Senator did not understand it. That was not my language. It was the language of Mr. Ingalls, the president of the railroad.

Mr. GALLINGER. I beg pardon; I thought it was the Senator's language.

Mr. JONES. I was using that argument to show that it is not socialistic.

Mr. GALLINGER. Precisely. I understand the Senator now. It was not his own language.

Mr. JONES. No.

Mr. SMITH of Arizona. From whom did the Senator read the last quotation?

Mr. JONES. Mr. Ingalls, president of the railroad.

Mr. GALLINGER. M. E. Ingalls.

Mr. JONES. Yes.

Wayne MacVeagh, in the North American Review for June, 1906, says:

There is no use in pretending that the proposal to establish such a system of taxation is of a radical, much less of a revolutionary, character, or in attempting to persuade the American electorate that it is a wicked attack upon private property to ask Congress to adopt a system of taxation which has been accepted by the most aristocratic and conservative legislative assemblage in the world—the House of Lords of Great Britain. After 12 years' experience of it, the graduated taxation of inheritances is now firmly established as a part of the permanent financial policy of the United Kingdom.

It has been adopted from time to time for hundreds of years and by the great majority of the States of the Union, as already shown.

Such legislation has been enforced at various times by acts of Congress, and in 1909 the House of Representatives adopted it as a feature of the tariff bill. It passed the House with practically no opposition. It was strongly recommended by President Roosevelt and again by President Taft. President Roosevelt, in discussing the theory and principles of an inheritance tax in his message at the beginning of the first session of the Sixtieth Congress, said:

But proposals for legislation such as this herein advocated are directly opposed to this class of socialistic theories. Our aim is to recognize what Lincoln pointed out: The fact that there are some respects in which men are obviously not equal; but also to insist that there should be an equality of self-respect and of mutual respect, an equality of rights before the law, and at least an approximate equality in the conditions under which each man obtains the chance to show the stuff that is in him when compared with his fellows.

President Taft, in his inaugural address of March 4, 1909, after referring to the necessity of raising revenue in order to overcome a deficit which was then threatened, said:

Should it be impossible to do so by import duties, new kinds of taxation must be adopted, and among these I recommend a graduated inheritance tax as correct in principle and as certain and easy of collection.

In his message of June 16, 1909, he refers to this recommendation.

As already said, the act of 1898 actually incorporated this principle into law, and Congress and the President were not at all socialistic.

With all these high and conservative indorsements of this method of taxation, it is idle to denounce it as socialistic.

It is urged that the imposition of an inheritance tax is an interference with the natural rights of the individual to dispose of his property as he sees fit. This is not true. No such natural right exists. The right to dispose of one's property is a civil right over which the State has full control and has been so generally recognized. Practically every State in the Union has enacted laws restricting or affecting the disposition of property by will or descent, and the right to do so can not be questioned.

The Supreme Court of the United States disposed of this objection when it said in Magoun *v.* Illinois Trust & Savings Bank (170 U. S., p. 288):

It is not necessary to review these cases, or state at length the reasoning by which they are supported. They are based on two principles: 1. An inheritance tax is not one on property, but one on the succession. 2. The right to take property by devise or descent is the creature of the law, and not a natural right—a privilege; and therefore the authority which confers it may impose conditions upon it.

It is again urged that such legislation will take away the incentive to frugality and industry, discourage the promotion of great enterprises, stifle activity, and retard the development of our country and the progress of civilization. If this legislation tends to check the grasping, overreaching, and avaricious disposition that is manifested by so many of our wealthy people it will be a godsend. The more men have the more they seem to desire; the less they need the more they strive for. Underhanded, unscrupulous oppression and dishonest means are adopted and the rights of humanity are utterly disregarded in the mad scramble for wealth. The lives of men, women, and children seem to be counted as naught against its acquisition.

This legislation, however, will not discourage anyone from putting forth proper efforts in the conduct of his business, the development of the country, and the acquirement of riches. There seems to be an irresistible desire to acquire as large a sum of money or as great wealth as possible. It is unreasonable to suppose that the desire to transmit wealth and power to children is the incentive that prompts the efforts, struggles, sacrifices, and heartless methods that are put forth to attain wealth and the control of property. Men desire to achieve victories, to surpass their competitors, to conquer difficulties, to promote great enterprises, to accomplish great results. These are the mainsprings of human action, and the desire to control the disposition of property after death has practically nothing to do with the efforts put forth in the acquirement of property. This legislation in no way interferes with these ruling passions, because it does not interfere with the acquisition of property or its disposition during one's lifetime. As a matter of fact, this kind of tax is the least objectionable from this standpoint. It imposes no burden on sagacity, industry, energy, and power. What a man acquires he keeps. It becomes new capital. No tribute is levied on thrift, self-denial, or success. One achievement leads to another. Instead of being a deterrent it should encourage industry, activity, energy, and the development of great enterprises. No one will suppose that Astor, or Vanderbilt, or Sage, or Gould, or Morgan would have been deterred in their struggle for wealth and the power that it gives by legislation of this character. If such legislation would make them more considerate of the rights of others and the interests of the public, then we could well afford to pass it, if for no other reason. We need not fear that a reasonable burden upon the transmission of property after death will in any wise deter men of ability, capacity, and ambition from exerting themselves to the utmost to surmount the difficulties, amass wealth, carry on and complete great undertakings, acquire power, and command the admiration of men.

There are exceptions to all rules, but not more exceptions, we think, to this rule than to rules generally, that the "almighty dollar" bequeathed to children is an "almighty curse." * * * No man has a right to handicap his son with such a burden as great wealth.

The growing disposition to tax more and more heavily large estates left at death is a cheering indication of the growth of a salutary change in public opinion. * * * Of all forms of taxation this seems to be the wisest. Men who continue hoarding great sums all their lives—the proper use of which for public ends would work good to the community from which it chiefly came—should be made to feel that the community, in the form of the State, can not thus be deprived of its proper share * * *. By all means such taxes should be graduated, beginning at nothing upon moderate sums to dependents, and increasing rapidly as the amounts swell, until of the millionaire's hoard, as of Shylock's, at least—

"The other half
Comes to the privy coffer of the State."

This policy would work powerfully to induce the rich man to attend to the administration of wealth during his life, which is the end that society should always have in view, as being by far the most fruitful for the people. Nor need it be feared that this policy would sap the root of enterprise and render men less anxious to accumulate, for, to the class whose ambition it is to leave great fortunes and to be talked about after their death, it will attract more attention, and, indeed, be a somewhat nobler ambition to have enormous sums paid over to the State from their fortunes.

That the parent who leaves his son enormous wealth generally deadens the talents and energies of the son, and tempts him to lead a less useful and less worthy life than he otherwise would, seems to me capable of proof which can not be gainsaid.

If you will read the list of the immortals who "were not born to die," you will find that most of them have been born to the precious heritage of poverty.

Why should men leave great fortunes to their children? If this is done from affection, is it not misguided affection? Observation teaches that, generally speaking, it is not well for the children that they should be so burdened. Neither is it well for the State. Beyond providing for the wife and daughters moderate sources of income, and very moderate allowances indeed, if any, for the sons, men may well hesitate; for it is no longer questionable that great sums bequeathed often work more for the injury than for the good of the recipients. Wise men will soon conclude that, for the best interests of the members of their families, and of the State, such bequests are an improper use of their means.

These are the words of Andrew Carnegie and are quoted at length because they cover well several of the points for and against this character of legislation.

That this system of taxation is not destructive, that it will not discourage industry and thrift, that it will not impose a burden upon anyone unable to bear it, is proven by actual experience and is testified to by those who have had an actual demonstration of it. William J. O'Sullivan, chairman of the transfer tax bureau of the city of New York, in Pearson's Magazine for December, 1907, says:

So, quite aside from the philosophical, ethical, sociological, or political justifications for a national inheritance tax, which have been so fully advanced in the discussion up to date, the American people, being a very hard-headed, practical people, must be satisfied, in so far-reaching a matter, that an inheritance tax is not only feasible but practical; that it will be constructive and not destructive; in short, that while working out a great purpose of social justice, it will not deprive any man or woman of the encouragement to industry and thrift without which national progress is impossible.

In fact, there is no real, substantial objection that can be urged against such a system of taxation when ample provision is made for the surviving members of the immediate family and dependent relatives.

Taxes are not levied for pleasure. They are always a burden and are levied only out of necessity. That tax which is the least burdensome is the most desirable. An inheritance tax is no tax at all in the usual and ordinary way. It imposes no burden on the living and can not affect the dead. The owner of wealth can not complain, because it takes nothing from him while he lives. The heir is not injured, because it deprives him of nothing that he has earned by effort or sacrifice or to which he has a legal or even a moral claim. It is, in fact, the ideal way to raise at least a part of the money necessary to defray the expenses of government.

Those receiving the greatest benefits from government should defray the expenses. Property interests and men of wealth and extensive business make more demands on the Government than others. Most of our governmental machinery is made necessary by the demands of big business. Courts are engaged most of the time in settling disputes between great financial interests, testing the constitutionality of laws at their instance, or in protecting the public from their aggressions. Legislatures spend their time legislating to promote the welfare of wealth in the hope that the indirect benefits will accrue to the ordinary citizen. Executive officers are giving their time and using the resources to promote the prosperity of industry. Armies and navies are maintained and used when necessary to protect great properties in time of industrial disturbance and war. To-day war is threatened largely on account of injury to property and citizens who have gone into a foreign country for pleasure or to exploit its resources. The following is from a news item in one of the papers printed a few days ago:

The big battleship *Michigan* sailed from Vera Cruz yesterday to investigate a report that a small plantation belonging to ——— ———, situated near Ciudad del Carmen, State of Tabasco, and an adjacent property owned by the Mexican Exploitation Co. (American) had been occupied by insurrectionary forces under the leadership of Manuel Castilla Pascual.

Wealth and industry can well afford to pay for these great benefits, and it is very unwise and very unjust for it to object to doing so at one time or another.

It may be urged that wealth is already taxed, and thus already bears its just burden. Taxes are levied and are paid by wealth in the first instance, but the great proportion of such taxes are passed on and eventually borne by those illy prepared to pay them and who, in fact, should not pay them. A large part of the high cost of living to-day is caused by the shifting of burdens from the shoulders of those able to bear them to those less able to stand up under the weight. Under this bill more than ever before will the tax paid by the wealthy importer be shifted to the poorer consumer, because you place a tariff on many articles we do not produce but which are generally consumed. We are imposing taxes in this bill on incomes in the hope that wealth will be compelled to bear a more equitable share of the burdens of government, and yet a large part of this tax eventually will be shifted from those who should bear it and who are able to bear it to those who should not have to pay it. The strong can and do shift their burdens to the weak, who can not avoid them. We should seek to avoid this if it can be done. There is no inducement to shift an inheritance tax, and it can not be shifted if there were any inducement to do so. It is the most equitable tax that can be imposed and the easiest borne, and it is surprising that our people have not more generally used it.

This tax is also justified by reason of the fact that wealth during the lifetime of its possessor not only shifts many of its just burdens, but also avoids its equitable part of the direct taxes imposed under our present systems. It is generally known that in the levying and collection of ordinary taxes the man of small means pays more proportionately than his wealthy neighbor. It is less difficult to conceal a large part of a great property than it is to conceal a small part of a lesser estate, and the result is that the wealthy escape taxation and the poor do not.

As illustrating what everybody knows to be a fact, I will give a few examples.

In 1873 personal property in the State of Illinois was listed for taxation at a valuation of $287,292,809; in 1893, about 20 years after, with an increase in population of over 50 per cent and a corresponding development in wealth, the personal property was listed at only $145,318,406. In 1894 the aggregate value of the shares of stock of the State and National banks in Cook County was over $56,000,000. In the city of Chicago the assessed valuation of real estate for city taxes in 1873 was $262,969,820. In 1893 it was assessed at $146,044,422. During this 20-year period the population had quadrupled; $400,000,000 had been expended in new buildings, and yet the assessed value of the real estate had decreased over $116,000,000.

I hold in my hand the report of the New York special tax commission for 1907. In a supplemental report made by Spencer E. Warnick and George R. Malby, among the facts fully established, they say:

The richer a person grows the less he pays in relation to his property or income. Experience has shown that under the present system personal property practically escapes taxation for either local or State purposes.

As proof of this the following table, showing the amounts assessed against well-known multimillionaires for 1907 in the city of New York, is submitted:

August Belmont	$100,000
Oliver H. P. Belmont	200,000
Cornelius Bliss	100,000
Andrew Carnegie	5,000,000
Henry Clews	100,000
William E. Corey	100,000
Morris K. Jesup	100,000
Chauncey M. Depew	50,000
John W. Gates	250,000
Frank J. Gould	50,000
John D. Rockefeller	2,500,000
John D. Rockefeller, jr	50,000
William Rockefeller	300,000
H. H. Rogers	300,000
Russell Sage	2,000,000
Alfred G. Vanderbilt	250,000
Cornelius Vanderbilt	150,000
Elsie F. Vanderbilt	100,000
Fred. W. Vanderbilt	250,000
George W. Vanderbilt	50,000
William K. Vanderbilt	100,000
John Jacob Astor	300,000
George Ehret	200,000

While all should bear to a greater or less degree the burdens of government because all partake of its benefits, those burdens should be placed as largely as possible where they will be most easily borne. It is more just to require the payment of taxes in proportion to ability to pay than in proportion to the amount of wealth one possesses. The dollar in a million is far more potential than the dollar in a hundred. When you take $10 from a man whose income barely suffices to house, feed, and clothe his family you impose on him an immeasurably greater burden than you do on the man whose income is $100,000 a year when you take $10,000 for government expenses. To take a large share of an estate is to impair no one's ability, especially when liberal exemptions are allowed. Under this amendment an exemption of $25,000 is allowed direct heirs. My only fear is that the exemptions are too large and the rates on the smaller amounts too low, but I have sought to make it plain that it is not desired to work any unnecessary hardship on anyone or to deprive anyone of any reasonable excuse for opposing this amendment.

We hear much now of the high cost of living. Campaigns have been waged with that as the battle cry. The Democratic Party was put into power largely on the promise and in the belief that it would reduce the cost of living. Congress has been in session for months considering a tariff bill with the reduction of the cost of living as one of its primary objects. This bill will impose about the same amount of taxes as we

heretofore have imposed by tariff legislation and its sponsors during this debate have practically conceded that the duties which they have imposed or which they have taken off will not affect the price of commodities in this country. They have admitted that prices will not be reduced. Duties have been placed upon articles now on the free list which we do not produce and which, while not absolutely necessaries, are generally used. The tariff imposed upon such articles will increase their price and increase the cost of living to the consumers. The income tax is supposed to take the place of many duties eliminated, and yet this tax will be largely shifted from those who pay it in the first place to those who are less able to pay it and will be a large element in the cost of living. As a matter of fact, there is not a single tax levied in this bill that will not, in accordance with Democratic theories, have a tendency to increase or maintain the high cost of living and bear heaviest on those the least able to pay.

The tax proposed in this amendment will not increase or add to the high cost of living at all. On the contrary, when put into operation, it will make it possible to relieve our people from much of the burdens of ordinary taxation. It would actually reduce the cost of living. It would relieve the people of some of the burdens which they now bear. It would place the burdens of government more equitably and impose them where they can be most easily borne.

The effect of such a system upon the distribution of the large fortunes of this country is worthy of the highest consideration. The concentration of wealth has become a most serious problem. It is one that should command our most careful attention. Its possible effect upon our people and our system of government itself is likely to be far reaching and of tremendous import. We are face to face to-day with problems in connection with the concentration of wealth that demand solution. Fortunes have been accumulated in this country during the last 50 years beyond the wildest dreams of avarice. John Jacob Astor's fortune of $20,000,000 increased in the hands of his son William to $100,000,000, and it is now estimated that the fortunes of the Astor family amount to over $500,000,000.

Commodore Vanderbilt died leaving a fortune of about $100,000,000, ninety million of which was bequeathed to his son W. H. Vanderbilt, who, at his death, left an estate of $200,000,000. After numerous bequests to his wife and other relatives he divided the remainder equally between his two sons, Cornelius and William K. Vanderbilt, who already had amassed large fortunes, Cornelius being estimated to be worth $80,000,000 at the time of the bequest from his father. These fortunes have tremendously increased until no one knows what this family controls.

The Sage fortune is estimated at $79,000,000; Kennedy's at $65,000,000; Brady's at $75,000,000; Gould's at $78,000,000; Morgan's at $100,000,000; Stephen Sanford's at $40,000,000, and Marshall K. Field left a fortune estimated at $150,000,000 in trust for two young boys.

No one knows the amount of the fortune of John D. Rockefeller, but it has been estimated as high as a billion dollars. This no doubt is greatly exaggerated, but his fortune and financial power are tremendous. Andrew Carnegie has a fortune of from three to five hundred millions of dollars, bringing in an annual income of over $16,000,000, or more than a million dollars a month.

How were these fortunes acquired? Is it possible for any man through his individual effort, thrift, and industry to acquire command of such tremendous sums of money? That these fortunes have been acquired by individual effort no one can believe. The methods adopted are pretty well disclosed by public records, newspaper reports, and general statements which appear to be thoroughly reliable. It can safely be asserted that as a general rule these exceedingly large fortunes are the result of increased values of real estate, forest and mining lands, brought about by the development and growth of communities; the construction and operation of railroad lines which have prospered by reason of the growth and development of the country through which they have passed; speculation in and manipulation of stocks and bonds; the arbitrary increase of the stock of various enterprises and the sale of such stock to the public or the receipt of dividends upon such increased stock; the securing of franchises from States, counties, and municipalities; financial manipulations; banking and banking combinations; and by other means whereby the energy and wealth of the people have been diverted to the possession and control of the individuals controlling and manipulating these various agencies, as well as by fraud, short weight, adulteration, and other sharp practices.

In the wake of these vast fortunes will be found buccaneering and piracy; cheated and defrauded Indians; exorbitant war contracts; land grants and franchises secured by fraud, trickery, and bribery; railroads wrecked by stock manipulations; railroads wrecked by competition, with the sole desire to destroy; watered stock, by which and upon which millions have been taken from the public; adulterated food; short weights; "Black Fridays"; railroad discriminations; rebates to friendly business; overcharges to struggling competitors; and tremendous combinations in whose grasp reside the very destinies of the Nation.

The accumulation of fortunes by many of the methods pursued in the past should be prevented by legislation so far as possible, and I am glad to say that during the last 10 years much legislation has been passed to correct these evils and the public conscience has become so aroused that legislators are more regardful of the rights of the people and public franchises are not so frequently given away without any safeguards for the people's interest. There is need of legislation to prevent stock manipulations, "gentlemanly" gambling, and many other ways actually criminal in operation.

A brief examination in regard to the accumulation of some of these fortunes will show that they were not the result of the honest and industrious efforts of their possessors, nor the result of the ordinary growth and development of the country, which has had so much to do with many individual fortunes. A mere statement of the amount accumulated within a certain period will be enough to convince anyone that they were not accumulated fairly or honestly.

At the age of 70, Commodore Vanderbilt had acquired a fortune of $20,000,000. He turned from shipping to railroading, and his biographer, Croffut, says:

> In the first five years of his railroad ventures and experiments he had made a clear profit of not less than $25,000,000.

And the same authority says, referring to his entrance into the railroad business:

> As a matter of fact, this giant of achievement had just entered upon the most brilliant period of his life, and he doubled his wealth four times during the next 15 years.

In the hands of his son this increased in a few years to $200,000,000.

If President Wilson had served as President of the United States at his present salary of $75,000 a year continuously during the last 1,000 years, he would not have earned as much money as Commodore Vanderbilt made in 15 years, and 100 laboring men at $1,000 a year would have had to begin before the morning stars sang together at the birth of our Savior and work continuously ever since to earn the amount of which William Vanderbilt died possessed at the age of 65 years.

By the manipulation of the stocks and bonds of certain railroads Harriman is said to have made over $50,000,000 in nine years.

How much should be allowed in the increase of fortunes on account of the activities of the community and the growth and development of the country it is difficult to say, but there is no question but that all fortunes of a few hundred thousand dollars and over are very largely the result of investments made profitable, not so much by the efforts of the individual as through the activities and wants of the community.

Eighty lots were purchased by a certain individual in a certain section of New York many years ago at about $600 a lot. These lots have a present aggregate value of $20,000,000 or more. Lands in the city of Chicago which in 1830 were worth from $20 to $80 an acre are now worth from $10,000,000 to $15,000,000 per acre. These are but illustrations of what has taken place all over the country to a greater or less extent.

No one can contend with any reason that these values are the result of the owner's efforts. Their values have come independently of him and of his efforts. After allowing due credit for one's judgment in making his investment, still the great credit for the increase in values belongs to the community. When the owner dies, when he no longer needs this property, when he no longer has any use for it or claim upon it the community, his "partner," not only has the right to take but should take a large part of this increase to itself. It is the real producer of it and is the real owner of it."

Andrew Carnegie, referring to President Roosevelt's advocacy of an inheritance tax, said:

> I am with the President in regard to the graduated tax, and a heavy graduated inheritance tax, for many reasons. One is that it belongs to the community that made most of the money, and it should come in and get its dues.

Again he says:

> It is not the millionaire alone who creates wealth. A man who had mines in Montana and made an enormous fortune did not make the ore from which his fortune came. Who made it valuable? The community wished to use that ore, then it became worth while to take it out of the ground, and he made a profit. Gentlemen, wealth is based upon the community. Where a nation does not increase in population and is not prosperous, where wealth does not accumulate, you will find no millionaires; but where a nation is prosperous, as we are—a new Nation, beyond precedent prosperous—there the millionaire, and there only, they develop.

For the community to take to itself a share, and a large share, of these great fortunes through an inheritance tax is no attack on wealth. The fortune is left in the hands and control of its owner until he passes to that country where earthly wealth is unsought and undesired. No man's abilities or activities are hampered; no industry is paralyzed; no one is impoverished or distressed. The real owner simply steps in and takes part of that which it has created and appropriates it to itself for benefits given to relieve burdens borne, to equalize opportunity, and to encourage energy, ambition, ability, and thrift.

The possession of wealth carries with it great power, and as wealth accumulates its power increases. There are very few things that men with fortunes like those already referred to can not do. They can make or unmake prosperity. They can make or unmake cities. They can promote or destroy great enterprises. They can make or destroy the very prosperity of the country. But a short time ago it was generally believed that the prosperity of the Nation and its financial safety rested upon the will of a single man.

This amendment does not propose to interfere with this power so long as its possessor lives. That should be done, however, by other legislation. This bill does propose to prevent, to a certain extent, the transmission of that power from its possessor to a single individual. Instead of objecting to legislation preventing the transmission of such power it ought to be welcomed. It amazes us that a civilized, educated, liberty-loving people like the English should complacently see the powers of their sovereign transmitted from father to son, and yet we see tremendous fortunes accumulated by fair means and foul and the control of our great industrial enterprises resulting therefrom transmitted by a stroke of the pen to some boy who has done absolutely nothing to show himself worthy of such a trust or capable of discharging its responsibilities. He receives a power for evil far transcending that of the greatest potentate of modern times. The transmission of millions of property to a single person qualified and prepared to handle and care for it properly should not be permitted, because in such hands it will grow and multiply to still greater proportions, while in hands unfitted to care for and manage it it may bring industrial ruin and disaster to the business world.

J. P. Morgan, jr., not only commands what is equivalent to the services of thousands of men, women, and children, but he holds the destiny of the business world of this great Republic in the hollow of his hand. Intentionally he could throw our Nation into such a cataclysm as the world has never known. He might do so by lack of ability, care, or intelligence. Such a power is too great to be intrusted to any one man. The interests of the community demand that the community shall not permit such a condition of things in a free government. That government is not free where its presidents must act at the beck and nod of some private king of finance, and that nation is not safe whose prosperity depends upon the whim, caprice, or will of any private individual. Legislation which will curb or prevent the transmission of such power should be welcomed by its possessors themselves, because it is the safest guaranty against anarchy and revolution.

Love for country dies where government ceases to promote happiness. Poverty pinches patriotism. Where one enjoys what it takes thousands to earn, discontent, envy, and hate will grow until the one falls a prey to the wrath of the many.

These fortunes are becoming of such frequent occurrence and of such tremendous magnitude that a widespread distrust, not only in our institutions and our business conditions, but in the very Government itself is being awakened. While no one can fail to see that general conditions are better in this country to-day than they were 20 or 50 years ago, while no one can deny that labor commands more for shorter hours and that comforts and even luxuries are more generally distributed and enjoyed now than years ago, it can not be denied that individual fortunes have increased in such a degree and with this increase has come such power and opportunity as to awaken a feeling that the many are being forced to depend upon the few and we are getting that accelerated motion toward industrial dependence of the increasing many and the industrial independence of the diminishing few that should be stayed. This does not mean in a financial sense that the rich are getting richer and the poor are getting poorer, but it does mean a proportionately increasing power and wealth in the few as against the many.

As Small says:

> We are passing through a social transition in which the power of a few men to control opportunities for employment is enormous, and the liberty of many men to defy the caprice of employers is correspondingly reduced. From the standpoint of a right thinking and of a right feeling man such control is intolerable. So far as it exists in any class of cases, it means nothing else than the subversion of the freedom of the dependent parties, and their retrogression into a unique and refined order of servitude. It is possible to consider such relationship a permanent feature of human society only on the assumption that the exercise of freedom, which is necessary to some men, is no part of the natural function of other men.

My own amendment does not pretend to correct the evils under which and by which these great fortunes have been and may be accumulated. As I already have said, that will have to be done and ought to be done by additional legislation, and much already has been accomplished along these lines. The purpose of my amendment, however, is not only to distribute the burdens of taxation to those who are able to pay it and to reimburse the community for benefits received through it, but it is intended indirectly to prevent the transmission of these tremendous fortunes from father to son and from generation to generation, and to bring about their distribution and thereby diminish the power and distribute it.

Some may think that the rates provided in this amendment are high, but they overlook the provisions of the amendment under which these high rates may be avoided by the voluntary action of the owner of the fortune. The rate is determined by the size of the inheritance and not by the entire estate. If the testator, for instance, does not desire the high rates to apply, he can avoid it by distributing his fortune among several children or favored individuals. This probably would be the result, and in my judgment it is a very desirable one. If anyone, having accumulated a fortune of $100,000,000, would not desire the community to take 50 per cent of his bequests, he would divide his fortune among 8 or 10 or more legatees and in this way subject them to a smaller rate.

As Melville E. Ingalls said, referring to his proposition to prohibit any man from disposing of his property by will and to provide for its distribution equally among his heirs:

> The property is not lost by distribution, and nothing in my judgment will so protect our future against large accumulations of wealth as this. It seems to be a craze with some men to perpetuate after their death the immense fortunes that they have built up, but it is not the thing that the state ought to allow.

It is urged that such a tax will drive wealth and capital out of the country. Where will it go? There is scarcely a civilized country, province, or state in which this tax is not levied at a greater or less rate. Independent of this, there is no force in this objection. Capital will go where its owner believes it will bring the greatest return during his lifetime. Little consideration is given to what shall happen after death. Death is uncertain; when it will come no man knows, and everyone hopes it will be put off indefinitely and acts on that assumption. In the investment of money, the prosecution of great works, and the acquirement of riches no thought is given to testamentary disposition. Says a millionaire:

> I venture to say that very few men, if any, conscientiously consider the advantage of the right of testamentary disposition when they attempt to secure wealth. That is probably the last thing entering their brains. If they knew that they would not be able to bequeath their fortunes, they would still try to accumulate wealth in the hope of either cheating the law, or, if that were impossible, with the idea of giving it away while they were still alive.

Sir Charles Dilke also testifies to the fact that in New Zealand and the other British colonies, where the rate of taxation is high, no such result has occurred.

The continued concentration of wealth and its transmission from father to son will result disastrously if the experience of the past is any guide to the future. The fall of the ancient republics is attributed largely to the fact that many were poor and a few were enormously wealthy. Blackstone says of Greece:

> Thus the ancient law of the Athenians directed that the estate of the deceased should always descend to his children, or, on failure of lineal descendants, should go to the collateral relations, which had an admirable effect in keeping up equality and preventing the accumulation of estates. But when Solon made a slight alteration, by permitting them (though only on failure of issue) to dispose of their lands by testament and devise away estates from the collateral heir, this soon produced an excess of wealth in some and of poverty in others, which, by a natural progression, first produced popular tumults and dissensions, and these at length ended in tyranny and the utter extinction of liberty, which was quickly followed by a total subversion of their state and nation.

Webster, from his knowledge of history and experience of mankind, said:

> The freest government, if it could exist, would not be long acceptable if the tendency of the law was to create a rapid accumulation of property in few hands and to render the great mass of the population dependent and penniless. In such a case the popular power would be likely to break in upon the rights of property, or else the influence of property to limit and control the exercise of popular power. Universal suffrage, for example, could not long exist in a community where there was great inequality of property.

We can better run the risk of having wealth leave the country and seek other fields than to risk the dangers that have come to the nations of the past.

It is a dangerous situation for that country when one man is interested in, connected with, and so controls so much wealth

or so many financial interests and industries that he can say to one here, "You can do this," and to another there, "You can not do that," or by the wave of the hand can start the storm of industrial ruin or by the stroke of a pen open the floodgates of the nation's prosperity. In the control of a good and wise man such power may bring untold good and business stability. In the hands of a wicked or unwise man it may bring such a horrible cataclysm of industrial disaster as war and pestilence have never brought to mankind. If this is not our condition to-day it is nearly so, and if not one man a half dozen now hold the control of our business stability in their grasp.

Even if we do not prevent the accumulation of such power in the hands of a few, as we should earnestly strive to do, shall we permit them to transmit the power which they hold over the destinies of a great people undiminished and unrestrained? To do so is unfair to our citizens and dangerous to the Republic.

This amendment seeks in a slight degree to prevent such a condition and the transmission of such power.

Mr. President, far be it from me or my purpose to discourage anyone from using his ability, exerting his energy, or exercising his sagacity in endeavoring to develop and carry on great enterprises which by thrift and industry and proper care will bring to him an ample reward for all his efforts. I freely recognize the right of every man during his lifetime to all that his industry and sagacity will bring him. I make no war upon wealth or against the wealthy. I would not excite the envy of the poor or the hate of the struggling against the rich and prosperous, and especially not against those who by frugality, carefulness, energy, and wisdom have accumulated much of this world's goods. Some men are wiser than others. Some men have better judgment than others. Some are fortunate and some are unfortunate. Some are venturesome and some are timid. Some seem to be able in a perfectly legitimate way to turn whatever they touch into gold, while others may toil and struggle day in and day out but seem to be followed by failure and misfortune and to eke out only a miserable existence.

These conditions may not be changed by law, but we can more nearly equalize opportunity and from time to time start all in the race of life more nearly upon an equality. I do not advocate the ancient custom of the year of jubilee, but its spirit can well be applied in our legislation. A man who uses to the utmost the gifts with which nature has endowed him fighting the battles of life with brain and brawn and attains great wealth or high position commands my admiration. If he amasses a large fortune, I do not envy him, but when he is through with it, when his life work is ended, let it be generally distributed or a liberal share be taken by the State for its own preservation and in order that its citizens may more nearly have that equality which all desire and deserve.

The transmission of a large fortune to a young man is a handicap and a detriment to his success. It takes away ambition and encourages extravagance; makes him idle, lazy, and shiftless; encourages dissipation and high living; unfits him for places of trust and responsibility. History proves and our own observation shows that as a rule the men who have succeeded in business or government, the great captains of industry or the wise statesmen of the ages, have all come up through poverty and hardship. It develops the latent powers that are found in the babes of the poor and which is stifled in the babes of the rich. They are unfitted for places of trust and responsibility because they never have been tested. Young men who by their own efforts have mastered the various lines of work in which they have engaged and have demonstrated their worth, reliability, and powers are the men who have succeeded, who will succeed, and will be sought after. The manager of a great steel plant of England, on a visit to Mr. Carnegie, said:

> It is not the unrivaled natural resources of your country, Mr. Carnegie, I have to envy most, nor even your wonderful machinery, but it is the class of young men you have to manage all your departments. We have no such class in England.

Legislation that will prevent our young men from being handicapped by great wealth will make of many of them better, stronger, more self-reliant, more successful, more virile men and better and more worthy citizens.

Mr. President, the time has come for us to put more humanity and less commercialism in our legislation. With all our boasted wealth, prosperity, and happiness, there is too much poverty, suffering, and sorrow among our people. Thousands of honest, hard-working men, women, and children are living and toiling amid conditions and surroundings not fit for animals to live in. The better impulses and instincts of their natures are blunted, deadened, and killed. They hate the institutions under which they live. The Government is to them an agent of oppression. They see wealth transmitted to father and son. They see men who "toil not, neither do they spin," revel in wealth and luxury that must come from the efforts of some one, maybe from theirs. They see the men who own the miserable, cramped, insanitary, deadly habitations in which they live grow rich out of the rents that take much of the product of their toil. Is it any wonder that there are anarchists and violent agitators? They see the men for whom they work at starvation wages live in fair mansions, ride in automobiles, dress in fine linen, and spend for one meal more than they can earn in a week, and their hearts are filled with bitterness. Women work long hours at miserable wages while the children who need their loving, tender care are at home by themselves or playing on the streets under conditions that undermine their health and their morals. These are problems that the States and the Nation must solve. We must do our part. The people demand it. We must show them that we are going to take up earnestly legislation that will help the individual that needs help and bring happiness and comfort where there is now sorrow and suffering.

This amendment will not go far, but it will tend to equalize opportunity, compensate for benefits received, place the burdens of government where they can be easily borne, make it possible to relieve the masses from many taxes they now bear, tend to dissipate the distrust that is growing among our people, provide a fund that can be used for hospitals, for nurseries, for the care of children while their parents are at work, for pensions for widows and orphans, and lead to the distribution of wealth during the lifetime of its possessor in ways that will alleviate suffering and bring light into dark places.

Mr. President, this is not a cry against wealth. It is an appeal to wealth and to all who know that these conditions demand a remedy. Unless we meet the problem of humanity that has come down to us through the ages, the poet's cry may become a reality:

> O masters, lords, and rulers in all lands,
> How will the Future reckon with this Man,
> How answer his brute question in that hour
> When whirlwinds of rebellion shake the world?
> How will it be with kingdoms and with kings—
> With those who shaped him to the thing he is—
> When this dumb Terror shall reply to God,
> After the silence of the centuries?

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Nebraska [Mr. NORRIS].

Mr. BRISTOW. Mr. President, I desire to say in regard to this proposition that I am in favor of an inheritance tax, and I shall vote for the amendment; but in so doing I do not want it to be understood that it is an indorsement of the schedule of rates fixed. I do not believe that the rates provided are as they should be; but believing in the principle of an inheritance tax, I shall vote for the amendment.

Mr. NORRIS. I ask for the yeas and nays on agreeing to the amendment.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. BRYAN (when his name was called). I have a pair with the junior Senator from Michigan [Mr. TOWNSEND], which I transfer to the junior Senator from South Carolina [Mr. SMITH] and vote "nay."

Mr. LEA (when his name was called). I transfer my pair with the senior Senator from South Dakota [Mr. CRAWFORD] to the Senator from Oklahoma [Mr. OWEN] and vote "nay."

Mr. LEWIS (when his name was called). I am paired with the junior Senator from North Dakota [Mr. GRONNA]. If he were here, I would vote "nay."

Mr. THOMAS (when his name was called). I have a general pair with the senior Senator from Ohio [Mr. BURTON] and withhold my vote. If I were permitted to vote, I would vote "nay."

The roll call was concluded.

Mr. JAMES (after having voted in the negative). I have a general pair with the junior Senator from Massachusetts [Mr. WEEKS]. I voted "nay." I am informed by the senior Senator from Massachusetts [Mr. LODGE] that if his colleague were present he would likewise vote "nay." Therefore I will allow my vote to stand.

Mr. JONES. I desire to state that the junior Senator from Michigan [Mr. TOWNSEND] is necessarily absent and that he is paired with the Senator from Florida [Mr. BRYAN]. I make this announcement for all other votes to-day.

Mr. KERN. Being paired with the Senator from Kentucky [Mr. BRADLEY] I withhold my vote. If I were at liberty to vote, I would vote "nay."

Mr. REED. I have a pair with the Senator from Michigan [Mr. SMITH]. I transfer my pair to the Senator from Nebraska [Mr. HITCHCOCK] and vote "nay."

The result was announced—yeas 12, nays 58, as follows:

YEAS—12.

Borah	Clapp	Kenyon	Page
Brady	Cummins	La Follette	Stephenson
Bristow	Jones	Norris	Sterling

NAYS—38.

Ashurst	Gore	Overman	Simmons
Bacon	Hollis	Penrose	Smith, Ariz.
Bankhead	Hughes	Perkins	Smith, Ga.
Brandegee	Jackson	Pittman	Smith, Md.
Bryan	James	Pomerene	Stone
Catron	Johnson	Ransdell	Sutherland
Chamberlain	Lane	Reed	Swanson
Chilton	Lea	Robinson	Thompson
Clark, Wyo.	Lippitt	Root	Thornton
Clarke, Ark.	Lodge	Saulsbury	Tillman
Colt	Martin, Va.	Shafroth	Vardaman
Dillingham	Martine, N. J.	Sheppard	Walsh
Fall	Myers	Sherman	Williams
Fletcher	O'Gorman	Shields	
Gallinger	Oliver	Shively	

NOT VOTING—25.

Bradley	Gronna	Newlands	Townsend
Burleigh	Hitchcock	Owen	Warren
Burton	Kern	Poindexter	Weeks
Crawford	Lewis	Smith, Mich.	Works
Culberson	McCumber	Smith, S. C.	
du Pont	McLean	Smoot	
Goff	Nelson	Thomas	

So Mr. NORRIS's amendment was rejected.

Mr. JONES. I desire to offer an amendment. I will simply ask that the amendment be printed in the RECORD and not have it read. It is the amendment which I already explained in reference to the inheritance tax. I shall not ask for a roll call, but simply ask for a vote.

Mr. JONES's amendment was to add to the bill as a new section the following:

SEC. —. That a tax shall be, and is hereby, imposed upon the transfer of any property, real or personal, or of any interest therein or income therefrom, in trust or otherwise, to persons or corporations, within the United States or any of its possessions (except the Philippine Islands), in the following cases:

First. When the transfer is by will or by the intestate laws of any State or Territory or of the United States from any person dying seized or possessed of the property while a resident of the United States or any of its possessions (except the Philippine Islands).

Second. When the transfer is by will or intestate law of property within the United States or any of its possessions (except the Philippine Islands), and the decedent was a nonresident of the United States or any of its possessions at the time of his death.

Third. Whenever the property of a resident decedent, or the property of a nonresident decedent within the United States or any of its possessions (except the Philippine Islands), transferred by will, is not specifically bequeathed or devised, such property shall, for the purpose of this section, be deemed to be transferred proportionately to, and divided pro rata among, all the general legatees and devisees named in said decedent's will, including all transfers under a residuary clause of such will.

Fourth. When the transfer is of property made by a resident, or by a nonresident when such nonresident's property is within the United States or any of its possessions (except the Philippine Islands), by deed, grant, bargain, sale, or gift made in contemplation of the death of the grantor, vendor, or donor, or intended to take effect in possession or enjoyment at or after such death.

Fifth. When any such person or corporation becomes beneficially entitled, in possession or expectancy, to any property or the income thereof by any such transfer, whether made before or after the passage of this act.

Sixth. Whenever any person or corporation shall exercise a power of appointment derived from any disposition of property made either before or after the passage of this act such appointment when made shall be deemed a transfer taxable under the provisions of this act in the same manner as though the property to which such appointment relates belonged absolutely to the donee of such power and had been bequeathed or devised by such donee by will; and whenever any person or corporation possessing such power of appointment so derived shall omit or fail to exercise the same within the time provided therefor, in whole or in part, a transfer taxable under the provisions of this act shall be deemed to take place to the extent of such omission or failure, in the same manner as though the persons or corporations thereby becoming entitled to the possession or enjoyment of the property to which such power related had succeeded thereto by a will of the donee of the power failing to exercise such power, taking effect at the time of such omission or failure.

Seventh. The tax imposed hereby shall be, except as otherwise prescribed in paragraph 2 of this section, as follows:

If such property, real or personal, or any interest therein so transferred, is of the value of less than $5,000, at the rate of 1 per cent upon the clear market value of such property; if of the value of $5,000 and not exceeding $50,000, at the rate of 2 per cent upon the clear market value of such property; if exceeding $50,000 and not exceeding $250,000, at the rate of 5 per cent upon the clear market value thereof; if exceeding $250,000 and not exceeding $750,000, at the rate of 10 per cent upon the clear market value thereof; if exceeding $750,000 and not exceeding $1,500,000, at the rate of 15 per cent upon the clear market value thereof; if exceeding $1,500,000 and not exceeding $3,000,000, at the rate of 20 per cent upon the clear market value thereof; if exceeding $3,000,000 and not exceeding $7,000,000 in value, at the rate of 25 per cent upon the clear market value thereof; if exceeding $7,000,000 and not exceeding $15,000,000 in value, at the rate of 40 per cent upon the clear market value thereof; and if of the value of over $15,000,000, at the rate of 50 per cent upon the clear market value thereof.

PAR. 2. That when property, real or personal, or any beneficial interest therein, of the value of less than $25,000 passes by any such transfer to or for the use of any father, mother, husband, wife, child, brother, sister, wife, or widow of a son or the husband of a daughter, or any child or children adopted as such in conformity with the laws of any State, Territory, or of the United States (in which such person shall at the time of such transfer reside), of the decedent, grantor, donor, or vendor, or to any child to whom any such decedent, grantor, donor, or vendor, for not less than 10 years prior to such transfer stood in the mutually acknowledged relation of a parent: *Provided, however,* That such relationship began at or before the child's fifteenth birthday and was continuous for said 10 years thereafter: *And provided also,* That, except in the case of a stepchild, the parents of such child shall be deceased when such relationship commenced, or to any lineal descendent of such decedent, grantor, donor, or vendor born in lawful wedlock, such transfer of property shall not be taxable under this section; if real or personal property, or any beneficial interest therein, so transferred is of the value of $25,000 and not exceeding $50,000, it shall be taxable under this section at the rate of 1 per cent upon the clear market value of such property; if exceeding $50,000 and not exceeding $250,000, it shall be taxable under this section at the rate of 2 per cent upon the clear market value of such property; if exceeding $250,000 and not exceeding $500,000, it shall be taxable under this section at the rate of 3 per cent upon the clear market value of such property; if exceeding $500,000 and not exceeding $1,000,000, it shall be taxable under this section at the rate of 4 per cent upon the clear market value of such property; if exceeding $1,000,000 and not exceeding $5,000,000, it shall be taxable under this section at the rate of 7 per cent upon the clear market value of such property; if exceeding $5,000,000 and not exceeding $10,000,000, it shall be taxable under this section at the rate of 15 per cent upon the clear market value of such property; if exceeding $10,000,000 and not exceeding $20,000,000, it shall be taxable under this section at the rate of 25 per cent upon the clear market value of such property; if exceeding $20,000,000 and not exceeding $30,000,000, it shall be taxable under this section at the rate of 35 per cent upon the clear market value of such property; and if exceeding $30,000,000, it shall be taxable under this section at the rate of 50 per cent upon the clear market value of such property. But any property devised or bequeathed to any purely educational, charitable, missionary, benevolent, hospital, or infirmary corporation, including corporations organized exclusively for Bible or tract purposes, shall be exempted from and not subject to the provisions of this section. There shall also be exempted from and not subject to the provisions of this section personal property, other than money or securities, bequeathed to a corporation or association organized exclusively for the moral or mental improvement of men or women, or for scientific, literary, library, patriotic, cemetery, or historical purposes, or for the enforcement of laws relating to children or animals, or for two or more of such purposes, and used exclusively for carrying out one or more of such purposes. But no such corporation or association shall be entitled to such exemption if any officer, member, or employee thereof shall receive or may be lawfully entitled to receive any pecuniary profit from the operations thereof except reasonable compensation for services in effecting one or more of such purposes or as proper beneficiaries of its strictly charitable purposes; or if the organization thereof for any such avowed purpose be a guise or pretense for directly or indirectly making any other pecuniary profit for such corporation or association or for any of its members or employees; or if it be not in good faith organized or conducted exclusively for one or more of such purposes.

PAR. 3. That if such tax is paid within six months from the accrual thereof a discount of 5 per cent shall be allowed and deducted therefrom. If such tax is not paid within 18 months from the accrual thereof, interest shall be charged and collected thereon at the rate of 10 per cent per annum from the time the tax accrued, unless by reason of claims made upon the estate, necessary litigation, or other unavoidable cause of delay such tax can not be determined and paid as herein provided, in which case interest at the rate of 6 per cent per annum shall be charged upon such tax from the accrual thereof until the cause of such delay is removed, after which 10 per cent shall be charged.

PAR. 4. That the tax or duty aforesaid shall be due and payable in two years after the death of the testator, and shall be a lien and charge upon the property of every person who may die as aforesaid for 20 years or until the same shall, within that period, be fully paid to and discharged by the United States; and every executor, administrator, or trustee having in charge or trust any legacy or distributive share as aforesaid shall give notice thereof, in writing, to the collector or deputy collector of the district where the deceased grantor or bargainer last resided within 30 days after he shall have taken charge of such trust, and every executor, administrator, or trustee, before payment and distribution to the legatees or any parties entitled to beneficial interest therein, shall pay to the collector or deputy collector of the district of which the deceased person was a resident, or in which the property was located in case of nonresidents, the amount of the duty or tax assessed upon such legacy or distributive share, and shall also make and render to the said collector or deputy collector a schedule, list, or statement, in duplicate, of the amount of such legacy or distributive share, together with the amount of duty which has accrued or shall accrue thereon, verified by his oath or affirmation, to be administered and certified thereon by some magistrate or officer having lawful power to administer such oaths in such form and manner as may be prescribed by the Commissioner of Internal Revenue, which schedule, list, or statement shall contain the names of each and every person entitled to any beneficial interest therein, together with the clear value of such interest, the duplicate of which schedule, list, or statement shall be by him immediately delivered and the tax thereon paid to such collector; and upon such payment and delivery of such schedule, list, or statement said collector or deputy collector shall grant to such person paying such duty or tax a receipt or receipts for the same in duplicate, which shall be prepared as hereinafter provided. Such receipt or receipts, duly signed and delivered by such collector or deputy collector, shall be sufficient evidence to entitle such executor, administrator, or trustee to be credited and allowed such payment by every tribunal which by the laws of any State or Territory is or may be empowered to decide upon and settle the accounts of executors and administrators. And in case such executor, administrator, or trustee shall refuse or neglect to pay the aforesaid duty or tax to the collector or deputy collector as aforesaid within the time hereinbefore provided, or shall neglect or refuse to deliver to said collector or deputy collector the duplicate of the schedule, list, or statement of such legacies, property, or personal estate, under oath as aforesaid, or shall neglect or refuse to deliver the schedule, list, or statement of such legacies, property, or personal estate, under cath as aforesaid, or shall deliver to said collector or deputy collector a false schedule or statement of such legacies, property, or personal estate, or give the names and relationship of the persons entitled to beneficial interests therein untruly or shall not truly and correctly set forth and state therein the clear value of such beneficial interests, or where no administration upon such property or personal estate shall have been granted or allowed under existing laws, the collector or deputy collector shall make out such lists and valuation as in other cases of neglect or refusal and shall assess the duty thereon, and the collector shall commence appropriate proceedings before any court of the United States, in the name of the United States, against such person or persons as may have the actual or constructive custody or possession of such property or personal estate, or any part thereof,

and shall subject such property or personal estate, or any portion of the same, to be sold upon the judgment of decree of such court, and from the proceeds of such sale the amount of such tax or duty, together with all costs and expenses of every description to be allowed by such court, shall be first paid, and the balance, if any, deposited according to the order of such court, to be paid under its direction to such person or persons as shall establish title to the same. The deed or deeds or any proper conveyance of such property or personal estate, or any portion thereof, so sold under such judgment or decree executed by the officer lawfully charged with carrying the same into effect shall vest in the purchaser thereof all the title of the delinquent to the property or personal estate sold under and by virtue of such judgment or decree, and shall release every other portion of such property or personal estate from the lien or charge thereon created by this section. And every person who shall have in his possession, charge, or custody any record, file, or paper containing, or supposed to contain, any information concerning such property or personal estate, as aforesaid, passing from any person who may die as aforesaid, shall exhibit the same at the request of the collector or deputy collector of the district and to any law officer of the United States in the performance of his duty under this section, his deputy or agent, who may desire to examine the same. And if any such person having in his possession, charge, or custody any such records, files, or paper shall refuse or neglect to exhibit the same on request, as aforesaid, he shall forfeit and pay the sum of $500: *Provided*, That in all legal controversies where such deed or title shall be the subject of judicial investigation, the recital in said deed shall be prima facie evidence of its truth and that the requirements of the law have been complied with by the officers of the Government: *And provided further*, That in case of willful neglect, refusal, or false statement by such executor, administrator, or trustee, as aforesaid, he shall be liable to a penalty of not exceeding $1,000, to be recovered with costs of suit. Any tax paid under the provisions of this section shall be deducted from the particular legacy or distributive share on account of which the same is charged.

PAR. 5. That from and after the passage of this act the Secretary of the Treasury, upon the recommendation of the Commissioner of Internal Revenue, is authorized to appoint a competent person, at an annual salary of $5,000, whose special duty it shall be to conduct such investigations as may be necessary to secure the efficient enforcement of the tax imposed upon legacies and distributive shares of personal property by this section, and the Commissioner of Internal Revenue may also from time to time assign one or more special agents to aid in such investigations.

PAR. 6. That in all States having a local inheritance-tax law the amount of such local inheritance tax shall be deducted from the normal amount to be collected under the provisions of this section.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Washington [Mr. JONES].

The amendment was rejected.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. LA FOLLETTE. On that amendment I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. BRYAN (when his name was called). I have a pair with the Senator from Michigan [Mr. TOWNSEND]. I transfer that pair to the Senator from South Carolina [Mr. SMITH] and vote "nay."

Mr. KERN (when his name was called). I transfer my pair with the Senator from Kentucky [Mr. BRADLEY] to the Senator from Nebraska [Mr. HITCHCOCK] and vote "nay."

Mr. LEA (when his name was called). I make an announcement of my pair with the senior Senator from South Dakota [Mr. CRAWFORD] and its transfer to the Senator from Oklahoma [Mr. OWEN]. I vote "nay."

Mr. LEWIS. I again announce that I am paired with the junior Senator from North Dakota [Mr. GRONNA].

The roll call was concluded.

Mr. BACON (after having voted in the negative). I note that the senior Senator from Minnesota [Mr. NELSON] has not voted. Therefore I withdraw my vote.

I wish to state, while on my feet, that I voted on the last roll call, having inadvertently failed to note that the Senator from Minnesota had not voted, and therefore I did not withdraw my vote. It was an inadvertence. It did not, however, affect the result.

Mr. BANKHEAD. I am paired with the junior Senator from West Virginia [Mr. GOFF] and withhold my vote.

Mr. THOMAS. I again announce my pair with the senior Senator from Ohio [Mr. BURTON] and withhold my vote.

Mr. REED. I have a pair with the Senator from Michigan [Mr. SMITH]. In his absence, I withhold my vote.

Mr. JAMES (after having voted in the negative). I have a pair with the Senator from Massachusetts [Mr. WEEKS], and in his absence I withdraw my vote in the negative.

The result was announced—yeas 29, nays 39, as follows:

YEAS—29.

Borah	Cummins	Lippitt	Sherman
Brady	Dillingham	Lodge	Smoot
Brandegee	Fall	Norris	Stephenson
Bristow	Gallinger	Oliver	Sutherland
Catron	Jackson	Page	Warren
Clapp	Jones	Penrose	
Clark, Wyo.	Kenyon	Perkins	
Colt	La Follette	Root	

NAYS—39.

Ashurst	Kern	Ransdell	Smith, Md.
Bryan	Lane	Robinson	Stone
Chamberlain	Lea	Saulsbury	Swanson
Chilton	Martin, Va.	Shafroth	Thompson
Clarke, Ark.	Martine, N. J.	Sheppard	Thornton
Fletcher	Myers	Shields	Tillman
Gore	O'Gorman	Shively	Vardaman
Hollis	Overman	Simmons	Walsh
Hughes	Pittman	Smith, Ariz.	Williams
Johnson	Pomerene	Smith, Ga.	

NOT VOTING—27.

Bacon	du Pont	McLean	Smith, S. C.
Bankhead	Goff	Nelson	Sterling
Bradley	Gronna	Newlands	Thomas
Burleigh	Hitchcock	Owen	Townsend
Burton	James	Poindexter	Weeks
Crawford	Lewis	Reed	Works
Culberson	McCumber	Smith, Mich.	

So Mr. LA FOLLETTE'S amendment was rejected.

Mr. LA FOLLETTE. I offer the amendment which I send to the desk. I will not ask to have it read, as it is precisely a part of the amendment upon which we have just voted. It is that portion of the amendment which starts with a duty on raw wool at 15 per cent and then makes the corresponding duties on the manufactured products as they should be in order to measure the difference in the cost of production on the manufactured products. I ask to have it incorporated in the RECORD. I will not take the time of the Senate to say anything upon it further than I have already said, but I will ask for the yeas and nays.

Mr. LA FOLLETTE'S amendment was to strike out paragraphs 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 318½, 427½, 652, and 653 and insert in lieu thereof the following:

1. All wools, hair of the camel, Angora goat, alpaca, and other like animals shall be divided, for the purpose of fixing the duties to be charged thereon, "into the two following classes";

2. Class 1, that is to say, merino and all wools containing merino blood, immediate or remote Down clothing wools, and wools of like character with any of the preceding, including Bagdad wool, China lambs' wool, Castel Branco, Adrianople skin wool, or butchers' wool, and such as have been heretofore usually imported from Buenos Aires, New Zealand, Australia, Cape of Good Hope, Great Britain, Canada, and elsewhere, Leicester, Cotswold, Lincolnshire, Down combing wools, Canadian long wools, or other like combing wools of English blood and usually known by the terms herein used, the hair of the Angora goat, alpaca, and other like animals, and all wools and hairs not hereinafter included in class 2.

3. Class 2, that is to say, Donskoi, native South American, Cordova, Valparaiso, native Smyrna, and all other native, unimproved wools such as have been heretofore usually imported into the United States from Turkey, Greece, Asia, and elsewhere, excepting improved wools hereinafter provided for; and the hair of the camel.

4. The standard samples of all wools which are now or may be hereafter deposited in the principal customhouses of the United States under the authority of the Secretary of the Treasury shall be the standards for the classification of wools under this act, and the Secretary of the Treasury is authorized to renew these standards and to make such additions to them from time to time as may be required, and he shall cause to be deposited like standards in other customhouses of the United States when they shall be needed.

5. Whenever wools of class 2 shall have been improved by the admixture of merino or English blood, from their present character as represented by the standard samples now or hereafter to be deposited in the principal customhouses of the United States, such improved wools shall be classified for duty as class 1.

6. The rate of duty on wools and hairs of class 1 shall be 15 per cent ad valorem.

7. Wools and hairs of class 2 shall be free of duty.

8. The rate of duty on wools of class 1 on the skin shall be 12½ per cent ad valorem, the quantity and value of the wool to be ascertained under such rules as the Secretary of the Treasury may prescribe.

9. On top waste, slubbing waste, roving waste, ring waste, and garnetted waste the rate of duty shall be 12½ per cent ad valorem.

10. On shoddy, wool extract, noils, yarn waste, thread waste, and all other wastes composed wholly of wool or of which wool is the component material of chief value and not specially provided for in this section, the rate of duty shall be 10 per cent ad valorem.

11. On woolen rags, mungo, and flocks the rate of duty shall be 10 per cent ad valorem.

12. On combed wool or tops and all wools which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition, not specially provided for in this section, the rate of duty shall be 25 per cent ad valorem.

13. On carded woolen yarns, made wholly of wool or of which wool is the component material of chief value, the rate of duty shall be 30 per cent ad valorem.

14. On worsted yarns, made wholly of wool or of which wool is the component material of chief value, the rate of duty shall be 32½ per cent ad valorem.

15. On cloths, knit fabrics, flannels, felts, women's and children's dress goods, coat linings, Italian cloths, bunting, and all other manufactures made wholly of wool or of which wool is the component material of chief value and not otherwise specially provided for in this act, valued at not more than 60 cents per pound, 40 per cent ad valorem; valued at more than 60 cents per pound and not more than $1 per pound, 42½ per cent ad valorem; valued at over $1 per pound, 45 per cent ad valorem.

16. On blankets and on flannels for underwear, composed wholly of wool or of which wool is the component material of chief value, the rate of duty shall be 40 per cent ad valorem: *Provided*, That on flannels composed of wool or of which wool is the component material of chief value, valued at over 50 cents per pound, the rate of duty shall be the same as assessed by this section on women's and children's dress goods.

17. On clothing, ready-made, and articles of wearing apparel of every description, including shawls, whether knitted or woven, and knitted

articles of every description made up or manufactured wholly or in part, and not otherwise specially provided for in this act, the rate of duty shall be 45 per cent ad valorem.

18. On webbings, gorings, suspenders, braces, bandings, beltings, bindings, braids, galloons, edgings, insertings, flouncings, fringes, gimps, cords and tassels, ribbons, ornaments, laces, trimmings, and articles made wholly or in part of lace, embroideries and all articles embroidered by hand or machinery, head nets, nettings, buttons or barrel buttons or buttons of other forms for tassels or ornaments, and manufactures of wool ornamented with beads or spangles of whatever material composed, any of the foregoing made of wool or of which wool is the component material of chief value, whether containing india rubber or not, the rate of duty shall be 40 per cent ad valorem.

19. On hand-made Axminster, Aubusson, oriental, and similar rugs and carpets, made wholly of wool or of which wool is the component material of chief value, the rate of duty shall be 50 per cent ad valorem; on all other carpets and rugs made wholly of wool or of which wool is the component material of chief value, and not otherwise specially provided for in this act, including machine-made Axminster, moquette, chenille, Wilton, Brussels, tapestry, and ingrain carpets and rugs, 30 per cent ad valorem.

20. Carpets and carpeting of wool, flax, or cotton, or composed in part of any of them, not otherwise specially provided for in this act, and on mats, matting, and rugs of cotton, 30 per cent ad valorem.

21. Mats, rugs for floors, screens, covers, hassocks, bedsides, art squares, and other portions of carpets or carpeting made wholly of wool or of which wool is the component material of chief value, and not specially provided for in this section, shall be subjected to the rate of duty herein imposed on carpets or carpeting of like character or description.

22. Whenever, in any paragraph of this schedule, the word "wool" is used in connection with a manufactured article of which it is a component material it shall be held to include wool or hair of the sheep, camel, goat, alpaca, or other animal, whether manufactured by a woolen, worsted, felt, or any other process.

23. Paragraphs 1 to 11 of this schedule shall be effective on and after the 1st day of January, 1914, and paragraphs 12 to 22, inclusive, shall be effective on and after the 1st day of April, 1914.

The VICE PRESIDENT. The Senator from Wisconsin demands the yeas and nays on agreeing to the amendment proposed by him.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. BRYAN (when his name was called). I make the same announcement of my pair and its transfer as on the previous roll call and vote "nay."

Mr. JAMES (when his name was called). I have a pair with the Senator from Massachusetts [Mr. WEEKS]. In his absence I withhold my vote. If I were at liberty to vote, I would vote "nay."

Mr. LEA (when his name was called). I again announce my pair with the senior Senator from South Dakota [Mr. CRAWFORD] and its transfer to the Senator from Oklahoma [Mr. OWEN]. I vote "nay."

Mr. LEWIS (when his name was called). I again announce my pair with the junior Senator from North Dakota [Mr. GRONNA]. If he were present, I would vote "nay."

Mr. REED (when his name was called). I again announce my pair with the Senator from Michigan [Mr. SMITH]. If he were present, I should vote "nay."

The roll call was concluded.

Mr. THOMAS. I again announce my pair with the Senator from Ohio [Mr. BURTON] and withhold my vote.

Mr. GALLINGER. I was requested to announce a pair between the Senator from North Dakota [Mr. MCCUMBER] and the Senator from Nevada [Mr. NEWLANDS].

Mr. REED. I transfer my pair with the Senator from Michigan [Mr. SMITH] to the Senator from Nebraska [Mr. HITCHCOCK] and vote "nay."

The result was announced—yeas 29, nays 41, as follows:

YEAS—29.

Borah	Dillingham	Lodge	Sherman
Bradley	Fall	Nelson	Smoot
Brady	Gallinger	Norris	Stephenson
Brandegee	Jackson	Oliver	Sutherland
Bristow	Jones	Page	Warren
Clapp	Kenyon	Penrose	
Clark, Wyo.	La Follette	Perkins	
Cummins	Lippitt	Root	

NAYS—41.

Ashurst	Kern	Reed	Stone
Bacon	Lane	Robinson	Swanson
Bryan	Lea	Saulsbury	Thompson
Chamberlain	Martin, Va.	Shafroth	Thornton
Chilton	Martine, N. J.	Sheppard	Tillman
Clarke, Ark.	Myers	Shields	Vardaman
Fletcher	O'Gorman	Shively	Walsh
Gore	Overman	Simmons	Williams
Hollis	Pittman	Smith, Ariz.	
Hughes	Pomerene	Smith, Ga.	
Johnson	Ransdell	Smith, Md.	

NOT VOTING—25.

Bankhead	du Pont.	McLean	Thomas
Burleigh	Goff	Newlands	Townsend
Burton	Gronna	Owen	Weeks
Catron	Hitchcock	Poindexter	Works
Colt	James	Smith, Mich.	
Crawford	Lewis	Smith, S. C.	
Culberson	McCumber	Sterling	

So Mr. LA FOLLETTE's amendment was rejected.

Mr. PENROSE. I think this is the proper time for me to call up the amendment heretofore introduced by me to the wool schedule. The amendment has been read and is understood by the Senate. I will not, therefore, ask to have it reread, but will ask to have it printed in the RECORD, and will request the Chair to put the question on the amendment without calling the yeas and nays on it.

The VICE PRESIDENT. In the absence of objection, the amendment will be printed in the RECORD, as requested by the Senator from Pennsylvania.

The amendment referred to is as follows:

On page 87, line 15, insert the following:

SCHEDULE K.—WOOL AND MANUFACTURE OF.

1. All wools, hair of the camel, goat, alpaca, and other like animals shall be divided, for the purpose of fixing the duties to be charged thereon, into the three following classes:

2. Class 1; that is to say, merino, mestiza, metz, or metis wools, or other wools of merino blood, immediate or remote, Down clothing wools, and wools of like character with any of the preceding, including Bagdad wool, China lamb's wool, Castel Branco, Adrianople skin wool or butchers' wool, and such as have been heretofore usually imported into the United States from Buenos Aires, New Zealand, Australia, Cape of Good Hope, Russia, Great Britain, Canada, Egypt, Morocco, and elsewhere, and Leicester, Cotswold, Lincolnshire, Down combing wools, Canada long wools, or other like combing wools of English blood, and usually known by the terms herein used, and also hair of the camel and all wools not hereinafter included in classes 2 and 3.

3. Class 2; that is to say, the hair of the Angora goat, alpaca, and other like animals.

4. Class 3; that is to say, Donskoi, native South American, Cordova, Valparaiso, native Smyrna, Russian camel's hair, and all such wools of like character as have been heretofore usually imported into the United States from Turkey, Greece, Syria, and elsewhere, excepting improved wools hereinafter provided for.

5. The standard samples of all wools or hair which are now or may be hereafter deposited in the principal customhouses of the United States under the authority of the Secretary of the Treasury shall be the standards for the classification of wools and hair under this act, and the Secretary of the Treasury is authorized to renew these standards and to make such additions to them from time to time as may be required, and he shall cause to be deposited like standards in other customhouses of the United States when they may be needed.

6. Whenever wools of class 3 shall have been improved by the admixture of merino or English blood from their present character, as represented by the standard samples now or hereafter to be deposited in the principal customhouses of the United States, such improved wools shall be classified for duty as class 1.

7. If any bale or package of wool or hair specified in this act invoiced or entered as of any specified class, or claimed by the importer to be dutiable as of any specified class, shall contain any wool or hair subject to a higher rate of duty than the class so specified, the whole bale or package shall be subject to the highest rate of duty chargeable on wool or hair of the class subject to such higher rate of duty, and if any bale or package be claimed by the importer to be shoddy, mungo, flocks, wool, hair, or other material of any class specified in this act, and such bale contain any admixture of any one or more of said materials, or of any other material, the whole bale or package shall be subject to duty at the highest rate imposed upon any article in said bale or package.

8. The duty on all wool and hair of class 1 and class 2 shall be laid on the basis of the clean content. If imported in washed or unwashed condition, the duty shall be 18 cents per pound on the clean content; if imported scoured, the duty shall be 20 cents per pound on the clean content. The clean content shall be determined by scouring and conditioning tests, which shall be made according to regulations which the Secretary of the Treasury shall prescribe.

9. The duty on all wools and hair of class 3, imported in their natural condition, shall be 7 cents per pound; if scoured, 19 cents per pound: *Provided*, That on consumption of wools and hair of class 3, in the manufacture of carpets, druggets and bookings, mats, rugs for floors, screens, covers, hassocks, bedsides, art squares, and portions of carpets or carpeting hereafter manufactured or produced in the United States in whole or in part from wools or hair of class 3, upon which duties have been paid, there shall be allowed to the manufacturer or producer of such articles a drawback equal in amount to the duties paid less 1 per cent of such duties on the amount of the wools or hair of class 3 contained therein; such drawback shall be paid under such rules and regulations as the Secretary of the Treasury may prescribe.

10. The duty on wools on the skin shall be 2 cents less per pound than is imposed upon the clean content as provided for wools of class 1, and 1 cent less per pound than is imposed upon wools of class 2 imported in their natural condition, the quantity to be ascertained under such rules as the Secretary of the Treasury shall prescribe.

11. Unwashed wools shall be considered such as shall have been shorn from the sheep without any cleansing; that is, in their natural condition. Washed wools shall be considered such as have been washed with water only on the sheep's back or on the skin. Wools washed in any other manner than on the sheep's back or on the skin shall be considered as scoured wool.

12. Top waste, slubbing waste, and roving waste, 28 cents per pound.

13. Ring waste, garnetted waste, and all other wastes composed wholly or in part of wool, and not specially provided for in this section, 20 cents per pound.

14. Noils, carbonized, 15 cents per pound; not carbonized, 12 cents per pound.

15. Thread waste, yarn waste, wool waste, 16 cents per pound.

16. Shoddy and wool extract, 16 cents per pound.

17. Woolen rags, flocks, and mungo, 5 cents per pound.

18. Combed wool or tops, made wholly or in part of wool or hair, 29 cents per pound.

19. The word "number" appearing in this paragraph, whether applied to woolen or worsted yarns, shall be the number of hanks per pound, a hank being a measure of 560 yards of single yarn or roving.

On tops advanced by process of manufacture to any number of sliver or roving or single yarn up to the single twelves the duty shall be 36 cents per pound.

On all numbers exceeding single twelves and up to and including single forties the duty shall be 36 cents per pound plus two-tenths of a cent per number per pound on all numbers in excess of single twelves.

On all numbers exceeding single forties and up to and including single sixties the duty shall be 42 cents per pound plus four-tenths of a cent per number per pound on all numbers in excess of single forties.

On all numbers exceeding single sixties the duty shall be 50 cents per pound plus six-tenths of a cent per number per pound on all numbers in excess of single sixties.

On all rovings and yarns advanced beyond the condition of singles by grouping or twisting two or more rovings or yarns together up to and including number twelves the duty shall be 2 cents per pound in addition to the foregoing duties on single yarns.

On all numbers exceeding twelves and up to and including forties the duty shall be 2 cents per pound plus one-tenth of a cent per number per pound on all numbers in excess of number twelves in addition to the duties on single yarns of corresponding numbers.

On all numbers exceeding forties up to and including sixties the duty shall be 5 cents per pound plus two-tenths of a cent per number per pound on all numbers in excess of number forties in addition to the duties on single yarns of corresponding numbers.

On all numbers exceeding sixties the duty shall be 9 cents per pound plus three-tenths of a cent per number per pound on all numbers in excess of number sixties in addition to the duties on single yarns of corresponding numbers.

Woolen yarns, in singles, or two or more yarns twisted together, shall be subject to a reduction of 7 cents per pound from the duties imposed by this paragraph on corresponding numbers of single or twisted worsted yarns.

On all of the above when bleached, dyed, colored, stained, or printed the duty shall be 5 cents per pound in addition to the other duties prescribed in this paragraph, and if singed or gassed there shall be a further addition of 3 cents per pound.

20. On cloths, knit fabrics, flannels, felts, and all manufactures of every description made wholly or in part of wool, not specially provided for in this section, valued at not more than 20 cents per pound, the duty shall be 12 cents per pound and in addition thereto 25 per cent ad valorem;

Valued at more than 20 cents and not more than 30 cents per pound, 16 cents per pound and in addition thereto 35 per cent ad valorem;

Valued at more than 30 cents and not more than 40 cents per pound, 20 cents per pound and in addition thereto 35 per cent ad valorem;

Valued at more than 40 cents and not more than 50 cents per pound, 26 cents per pound and in addition thereto 45 per cent ad valorem;

Valued at more than 50 cents and not more than 60 cents per pound, 30 cents per pound and in addition thereto 50 per cent ad valorem;

Valued at more than 60 cents and not more than 80 cents per pound, 32 cents per pound and in addition thereto 50 per cent ad valorem;

Valued at more than 80 cents per pound, 35 cents per pound, and in addition thereto 55 per cent ad valorem.

21. On blankets composed wholly or in part of wool valued at not more than 30 cents per pound, the duty shall be 16 cents per pound and in addition thereto 25 per cent ad valorem;

Valued at more than 30 cents and not more than 40 cents per pound, 18 cents per pound and in addition thereto 30 per cent ad valorem;

Valued at more than 40 cents and not more than 50 cents per pound, 22 cents per pound and in addition thereto 30 per cent ad valorem;

Valued at more than 50 cents per pound, 26 cents per pound and in addition thereto 35 per cent ad valorem: *Provided*, That on blankets over 3 yards in length the same duties shall be paid as on cloths.

22. On women's and children's dress goods, coat linings, Italian cloths, and goods of similar description and character, of which the warp consists wholly of cotton or other vegetable material, with the remainder of the fabric composed wholly or in part of wool, the duty shall be 7 cents per square yard; on women's and children's dress goods, coat linings, Italian cloths, bunting, and goods of similar description or character composed wholly or in part of wool and not specially provided for in this section, the duty shall be 11 cents per square yard, and in addition thereto on all the foregoing valued at not more than 50 per cent ad valorem; valued at above 70 cents per pound, 55 per cent ad valorem: *Provided*, That on all the foregoing weighing over 4 ounces per square yard the duty shall be the same as imposed by this schedule on cloths.

23. On clothing and articles of wearing apparel, knitted or woven, of every description, made up or manufactured wholly or in part, and composed wholly or in part of wool, the rate of duty shall be as follows:

If valued at not more than 60 cents per pound, the duty shall be 16 cents per pound and in addition thereto 35 per cent ad valorem;

If valued at more than 60 cents per pound and not more than $1 per pound, 20 cents per pound and in addition thereto 40 per cent ad valorem;

If valued at more than $1 per pound and not more than $1.50 per pound, 26 cents per pound and 50 per cent ad valorem;

If valued at more than $1.50 per pound and not more than $2 per pound, 30 cents per pound and 55 per cent ad valorem;

If valued at more than $2 per pound and not more than $2.50 per pound, 32 cents per pound and 55 per cent ad valorem;

If valued at more than $2.50 per pound, 35 cents per pound and 60 per cent ad valorem.

24. On all manufactures of every description made wholly or in part of wool, not specially provided for in this section, the duty shall be 35 cents per pound and in addition thereto 50 per cent ad valorem.

25. On knitted wearing apparel of every description and all knitted articles and manufactures thereof valued at 80 cents per pound or more, composed wholly or in chief value of wool, 24 cents per pound and in addition thereto 45 per centum ad valorem; if valued at less than 80 cents per pound, 24 cents per pound and in addition thereto 35 per cent ad valorem; on all the foregoing composed in part of wool, but in chief value of any other material, 60 per cent ad valorem.

26. On handmade Aubusson, Axminster, oriental, and similar carpets and rugs, made wholly or in part of wool, the rate of duty shall be 50 per cent ad valorem; on all other carpets of every description, druggets, buckings, mats, rugs for floors, screens, covers, hassocks, bedsides, art squares, and portions of carpets or carpeting, made wholly or in part of wool, the duty shall be 40 per cent ad valorem.

27. Whenever, in any schedule of this act, the word "wool" is used in connection with a manufactured article of which it is a component material, it shall be held to include wool or hair of the sheep, camel, goat, alpaca, or other like animal, whether manufactured by the woolen, worsted, felt, or any other process.

28. The foregoing paragraphs, providing the rates of duty herein for manufactures of wool, shall take effect on the 1st day of January, 1914.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Pennsylvania.

The amendment was rejected.

Mr. GALLINGER. Mr. President, I am at this moment in receipt of a brief communication from the International Cigar Makers' Union of America, which I ask to have read by the Secretary. I simply desire to say that I am in hearty sympathy with the communication.

The VICE PRESIDENT. In the absence of objection the Secretary will read as requested.

The Secretary read as follows:

SEPTEMBER 8, 1913.

Hon. J. H. GALLINGER,
United States Senate, Washington, D. C.

DEAR SIR: We desire to again call attention to that clause in the pending tariff bill which provides for the importation of cigars duty free from the Philippine Islands. After the most careful analysis of the proposition we are thoroughly convinced that free cigars from the Philippines spells ruin to many thousands of cigar makers in the United States.

We are not unmindful of the fact that it is the purpose of the present Congress to enact a tariff law that will relieve the people of burdensome taxation, but it can not be held that a duty on cigars over and above the amount, 150,000,000, from the Philippines, as provided for in the present law, imposes any hardship or additional expense to any citizen of the United States.

This being the case we do not consider it fair to jeopardize the livelihood of 100,000 American working people. We have heretofore directed attention to the fact that it is absolutely impossible for the American cigar makers to compete with the poorly paid Filipino cigar maker, and it is therefore unnecessary to elaborate on that point at this time.

In view of these facts we are making this statement to the Senate, and trust that our appeal may not go unheeded when final action on the bill is taken.

Respectfully submitted.

J. E. FARRELL,
E. E. GREENAWALT,
Representing the Cigar Makers' International Union of America.

Mr. LODGE. I desire to offer an amendment to the hosiery schedule. That matter has been thoroughly discussed, and this is merely another amendment changing the brackets of that schedule. I shall not ask for the yeas and nays on the amendment, but will request the Chair to be kind enough to put the question on the amendment, after it shall have been read. The page referred to in the amendment is, of course, the paging of the old bill.

The VICE PRESIDENT. The Secretary will read the amendment proposed by the Senator from Massachusetts.

The SECRETARY. On page 80, line 8, after the word "unfinished," it is proposed to strike out "if valued at not more than $1.20 per dozen pairs, 30 per cent ad valorem; if valued at more than $1.20 per dozen pairs" and in lieu thereof insert the following:

If valued at not more than 60 cents per dozen pairs, 40 per cent ad valorem; if valued at more than 60 cents per dozen pairs.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Massachusetts.

The amendment was rejected.

Mr. CATRON. Mr. President, I offer the amendment which I send to the desk, and ask that it be read.

Mr. SIMMONS. I wish to inquire if the amendment has not already been read, and if the Senator from New Mexico would not allow it to be printed in the RECORD without reading?

Mr. CATRON. The amendment has not been read, though I gave notice of it several days ago.

The VICE PRESIDENT. The Secretary will read the amendment proposed by the Senator from New Mexico.

The SECRETARY. It is proposed to strike out all of paragraphs 295 to 318, both inclusive, and in lieu thereof to insert the following:

295. On wool of the sheep, hair of the camel, goat, alpaca, and other like animals, all wools and hair on the skin of such animals, noils, top waste, card waste, slubbing waste, roving waste, ring waste, yarn waste, bur waste, thread waste, garnetted waste, shoddies, mungo, flocks, wool extract, carbonized wool, carbonized noils, all other wastes, and on woolen rags composed wholly of wool or of which wool is the component material of chief value, and not specially provided for in this section, all combed wool or tops and roving or roping, made wholly of wool or camel's hair, or of which wool or camel's hair is the component material of chief value, and all wools and hair which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition, not specially provided for in this section, and all yarns made wholly of wool or of which wool is the component material of chief value, the duty shall be 35 per cent ad valorem.

296. On cloths, knit fabrics, flannels not for underwear, composed wholly of wool or of which wool is the component material of chief value; women's and children's dress goods, coat linings, Italian cloths, bunting, and goods of similar description and character; clothing, ready-made, and articles of wearing apparel of every description, including shawls, whether knitted or woven, and knitted articles of every description made up or manufactured, wholly or in part; felts not woven and not specially provided for in this section; webbings, gorings, suspenders, braces, bandings, beltings, bindings, braids, galloons, edg-

ings, insertings, flouncings, fringes, gimps, cords, cords and tassels, ribbons, ornaments, laces, trimmings, and articles made wholly or in part of lace, embroideries, and all articles embroidered by hand or machinery, head nets, nettings, buttons or barrel buttons, or buttons of other forms for tassels or ornaments, and manufactures of wool ornamented with beads or spangles of whatever material composed, and on all manufactures of every description made by any process of wool or of which wool is the component material of chief value, whether containing india rubber or not, not specially provided for in this section, the duty shall be 60 per cent ad valorem.

297. On all blankets and flannels for underwear, composed wholly of wool or of which wool is the component material of chief value, the duty shall be 45 per cent ad valorem.

298. On Aubusson, Axminster, moquette, and chenille carpets, figured or plain, and all carpets or carpeting of like character or description; on Saxony, Wilton, and Tournay velvet carpets, figured or plain, and all carpets or carpeting of like character or description, and on carpets of every description woven whole for rooms, and oriental, Berlin, Aubusson, Axminster, and similar rugs, the duty shall be 65 per cent ad valorem.

299. On Brussels carpets, figured or plain, and all carpets or carpeting of like character or description, and on velvet and tapestry velvet carpets, figured or plain, printed on the warp or otherwise, and all carpets or carpeting of like character or description the duty shall be 55 per cent ad valorem.

300. On tapestry Brussels carpets, figured or plain, and all carpets or carpeting of like character or description, printed on the warp or otherwise; on treble ingrain, three-ply, and all-chain Venetian carpets; on wool Dutch and two-ply ingrain carpets; on druggets and bockings, printed, colored, or otherwise; and on carpets and carpeting of wool or of which wool is the component material of chief value, not specially provided for in this section, the duty shall be 45 per cent ad valorem.

301. On mats, rugs for floors, screens, covers, hassocks, bedsides, art squares, and other portions of carpets or carpeting made wholly of wool or of which wool is the component material of chief value, and not specially provided for in this section, the rate of duty shall be the same as that herein imposed on carpets or carpeting of like character or description.

302. On manufactures of hair of the camel, goat, alpaca, or other like animal, or of which any of the hair mentioned in paragraph 295 form the component material of chief value, not specially provided for in this section, the duty shall be 60 per cent ad valorem.

303. On consumption of wools contained in paragraph 295, in the manufacture of carpets, druggets and bockings, printed, colored, or otherwise, mats, rugs for floors, screens, covers, hassocks, bedsides, art squares, and portions of carpets or carpeting manufactured or produced in the United States, in whole or in part, from the wools mentioned in said paragraph 294, upon which duties have been paid, there shall be allowed to the manufacturer or producer of such articles a drawback equal in amount to the duties paid, less 1 per cent of such duties on the amount of wool contained therein; such drawback shall be paid under such rules and regulations as the Secretary of the Treasury may prescribe.

304. Whenever in this act the word "wool" is used in connection with a manufactured article of which it is a component material it shall be held to include wool or hair of the sheep, camel, goat, alpaca, or other like animals, whether manufactured by the woolen, worsted, felt, or any other process.

Mr. CATRON. Mr. President, the amendment to the wool schedule in this bill which I propose is not exactly as I would like it to be. I have used ad valorem rates in it instead of specific rates. I believe that the specific rate is the better way to impose the duty, but I have made my amendment so as to avoid as much objection from the framers of this bill as possible. It appears that they have adopted as their standard the ad valorem rate and that they must believe in it. Therefore I have attempted, against my own judgment, to conform my amendment to that idea, so that there would be less excuse for rejecting it on their part. I do not believe that the rates which I propose in this amendment are adequate. I believe that wool and woolen industries should be more fully protected. This amendment proposed by me would not give, in my judgment, full protection, but it would enable the wool grower and manufacturer to keep on their feet, carry on their business, and maintain their property, until in the near future when the people, repudiating the action of this Congress in the enactment of this bill into a law, shall, through their representatives, enact another law which will give adequate and ample protection.

The party in power which is proposing to enact this bill into a law have declared that they propose to do so because it is necessary for the purpose of raising revenue, and because it is intended to operate as a measure to reduce the high cost of living. It will produce revenue to help pay the expenses of the Government. Will it operate to reduce the cost of living? It is claimed by its advocates that the duty placed upon any article which is essential for the use of the people, to provide for their daily wants and comforts, increases the price or cost of that article by the amount of such duty. Experience has shown that while there may be some increase in the price of such articles, it does not generally reach the grade of being equal to the amount of the duty imposed. The articles mostly needed for the support of the people in comfort and health are foodstuffs and clothing. Our country is able to produce most of the food products required for our consumption. Our cotton products far exceed our needs. We produce nearly all of the raw material necessary for use. We provide enough meat for our wants.

We fall short mainly in a sufficient amount of wool and sugar. We produced for the last fiscal year in the United States over 300,000,000 pounds of wool and imported 238,118,350 pounds to supply the deficiency needed for the requirements of our people. If the woolen industry is destroyed—as this bill, when enacted into a law, will do—that 300,000,000 pounds of wool now produced here will have to be imported from abroad, and paid for not at the prices now ranging in foreign countries, but at greatly advanced prices over that amount, which will be placed upon wool by reason of the fact that we will have no control of the foreign market prices by reason of not having any competition. Combinations will be made against us and the prices will be raised higher. That 300,000,000 pounds of wool, if imported, will cost our people each year not less than $45,000,000, money which, by preserving the sheep and wool industry, can be kept at home. By destroying them we must send it abroad. In addition to this we will lose the duties which would be collected on the amount of importations, which, according to the last fiscal year, were 238,118,350 pounds of wool, amounting to over $16,000,000, which, if the wool industry is continued in this country as it now is, we would expect to collect every year.

The same condition, except in greater amounts, would prevail with reference to the sugar industry. We will lose over $50,000,000 in duties annually which we now collect on sugar, and the amount which we will have to send out of the country in order to purchase 4,000,000,000 pounds of sugar, which we now produce, but which we will not be able to produce if this bill becomes a law, at the expiration of the three years' time which it allows for sugar to pay duties. In addition to that, we will lose greatly on the value of our sheep. They will have to go to the slaughter pen, and all the manufactories and machinery and other improvements which have been made for the production and manufacture of woolen fabrics will become a total loss, amounting to over half a billion of dollars in value. Five millions of people, it is estimated, are dependent upon the woolen industry. They will have to seek elsewhere to obtain a living or support. Three hundred thousand employees will be turned loose on the public to hunt labor in other channels, creating a competition with other labor which will necessarily cut down its price and efficiency. It will cut off their incomes and take away from the individual the means of support and the capacity to purchase the needed articles on which to live, even at the cheap rate which the party in power evidently are calculating that he shall live after this bill has become a law.

There are other articles of which we do not produce a sufficient amount to supply all that is demanded for our use. The amount of them is comparatively insignificant in quantity when we enumerate the articles composing them, but combined they are considerable in quantity. The duties heretofore imposed upon sugar and wool and the manufactured products thereof have been placed there as a protection to the sugar and woolen interests and the products manufactured therefrom and to encourage the production of the same in this country, thus giving employment to labor and incidentally increasing the amount of the same to be employed. All of which adds somewhat to the cost and value of the original products and the manufactured article.

When this bill shall be enacted into a law and the duty taken off sugar and wool and woolen products and other items of industrial production in this country, will it not open the door to the importation and use, instead of the same, of the cheaper products of countries abroad where they are produced by labor at half the price of that furnished in the United States? As in the case of sheep and wool, their lands abroad cost the sheep raiser less than one-fourth of what lands cost them in the United States. Such importation will curtail the amount of output of each article of similar kind produced in the United States and will compel us to procure large quantities in foreign countries and send away moneys for the same which we now keep at home. The quantity which may be provided here will have to be produced at a less expense than now. How is that expense to be lessened or cheapened? It is only by reducing the price or value of the grazing land, the quantity, price, and cost of the labor, and other necessary expenses connected with its production.

It is claimed by some of the representatives of the wool-growing States who favor this bill that the sheep are grazed upon the public domain without any cost to the sheep raiser. Such is not the case. The sheep and wool-growing industry gradually moved toward the Rocky Mountains onto the semi-arid and plains country as lands in the East became more valuable for other purposes. In the Western States most of the public lands exist; all of the waters and best grazing lands extend along the courses of the streams and into the foothills of the mountains, where the forests are. These have been cov-

ered by the Government into forest reserves and are now being rented at high prices to sheep and wool growers in such manner as to exclude many sheep growers and wool producers who have not been able to rent any land on the reserves from reaching the water for the use of their flocks, particularly during the lambing and shearing seasons. This has been causing a decrease in the number of sheep. There has been in the last year or two a decrease of about a million and a half of sheep in the United States. That decrease has been caused by the absorption into the forest reserves of nearly all the running waters and springs, so that, as before stated, many of the sheep growers and wool producers are unable to reach water for the use of their flocks and are necessarily compelled to dispose of them either in the meat markets or to their more fortunate neighbor who has been able to secure a range in the forest reserves and save his own flocks. Some of them have been able to get water by sinking wells and pumping. Many had not the means to sink wells and purchase and operate pumps. The extension of the forest reserves so as to include all the waters that were suited for the use of the sheep and wool industry has for several years last past paralyzed the sheep industry, so far as its increase in numbers is concerned, and accounts for the falling off of the quantity of sheep in the United States during the last 12 years from 61,000,000 to about 51,000,000 to-day. In the creation of the forest reserves in the various States there were included in them thousands of acres of land adjacent to or in the vicinity of the timberlands and forests and running waters which can in no manner be classified or denominated "forest lands." These lands generally are the best grazing lands. By taking them into the reserve and leasing them to sheep and cattle owners for grazing purposes, as has been done, those who are unable to obtain leases—and there were many of them—have been forced back from the vicinity of the waters and from the points where they could sink wells and obtain water at a shallow depth. It is well known that water can be obtained in wells at a shorter depth in the vicinity of or nearer to the running streams or near the mountain ranges than it can at the greater distances. When an individual can not produce a given article except at a loss beyond the cost of production he will cease to produce it, which in the case of sheep raising means that lands which are now used at great cost by the sheepman for the lucrative purpose of sheep and wool growing must either be consigned to nonuse or put into some other industry when this bill becomes a law, and the laborer in that particular industry will lose his employment and be forced to engage at the lowest wages in other occupations with which he will be unacquainted, in a field where he must compete with others.

It is by this means the price of labor can and will be reduced and the cost of living with them cheapened to their great sorrow.

Much has been said in the discussion on this bill about competition. There is an old saying that competition is the life of trade. In the main that is true. But is a competition which destroys the use of a large quantity of materials and land and throws hundreds of thousands or millions of laborers out of employment and forces them either into beggary, into the poorhouse, or into competition with others who are not thrown out of employment such a competition as will increase or stimulate trade? Is it not rather that competition which brings every article or product, every income from land, and the labor of every workingman down to the lowest standard? It is possibly true, from that point of view, that the contentions of the Democratic Party that this bill will cheapen the cost of living may be somewhat realized. But while you are thus cheapening the cost of living you are destroying the comforts, the happiness, and the independence of the laborer by taking from him the means of obtaining them; you are reducing him to the grade of a serf or slave, forcing him into the most abject condition of human life, to eke out a scant existence, taking away from him his American manhood to which he has attained, robbing him of his ambition, and leaving him with but little respect for his country and its economic policies; in fact, you are sapping his patriotism, draining it to the very vitals, and putting upon it the most intense pressure, which he must by great endurance and effort overcome so as to remain a devoted or enthusiastic citizen. Do you want that condition of things? Is not the party in power, in the attempt to enact this bill into a law, forgetting the character of our people, their condition of life, the point to which they have reached or mounted in the progress of human affairs, their elevation in society, and their general well-being? I am not one of those who believe that by the passage of this bill we will have a reenactment of a panic like that which was commenced and existed on account of the proposed adoption of the Wilson-Gorman bill and its subsequent enactment into law. Our country and our people were then prosperous, but not as prosperous as they are to-day. The amount of money in circulation in this country per capita at that time was $24.56. The total population was 67,000,000. Business was then depressed. The amount in the country per capita August 1, 1912, was $34.44, or $10 more than it was in 1894. The population now is 97,000,000, or an increase of 30,000,000.

Every condition of business affairs is now prosperous in the highest degree. We must not expect that this condition will continue on the passage of this bill. In fact, we have already seen that the condition which existed prior to the last election has been changing, apparently to meet the proposed change in the tariff. Banks have been calling in their loans and making no new ones. People who are indebted are disposing of their property or curtailing their business so as to meet their obligations. This necessitates doing less business. It necessitates cutting down expenses and a greater exercise of economy. This brings about a cheapening of the cost of living. Had this special session of Congress not been called, and had we been left to consider this tariff proposition until the regular session in December next, with the prospect of enacting even this bill into a law about the 1st of next June, the people would have been better able to adjust their affairs so as to endure the privations that may come upon them as a result of this proposed enactment.

The great prosperity which they enjoy and means which they have accumulated will enable them in a very great degree to endure the condition of restricted business, the curtailment of the per capita circulation, and to exist without as intense suffering as might have been the case if they were less prosperous. Possibly they will be able to live, or subsist, without being compelled to go to the poorhouse until the people, in their wisdom, at the end of three years from next November, shall indicate, as I have suggested, their choice for a different kind of administration and different Representatives to constitute the majority in Congress. The fabricators and promoters of this bill claim they intend to reduce the cost of living, which is admitted to be high, by its enactment into a law. They propose to put meat and all food animals on the free list. They will import sheep and cattle, as well as meats, from foreign countries where they are produced at less than half the cost of production in the United States. They will bring these foreign importations into competition with our meats and our wool and drive down the prices until we can not afford to produce either cattle, sheep, or wool. They expect that by this bill, when it becomes a law, the cost of living will be lessened. They have not considered that it will make money, now plentiful, scarce and higher priced; that it will make food products, also, now plentiful, but commanding high prices, become less plentiful and lower in their prices. In fact, they will make money more valuable and food cheaper. Mr. Bryan, our Secretary of State and the apostle of the Democratic Party, who three times led its hosts to defeat, who is the apparent keeper of the conscience of that party, who is said to have dictated in the main the Baltimore platform, who brought about the nomination of President Wilson, and who ought to be authority with the Democratic Party, in one of his Chautauqua lectures, which he lately felt himself obliged to deliver so as to obtain the means of livelihood, because the Government does not pay him enough of its depreciated money to enable him to live comfortably, says:

> Seventeen years ago those most active in behalf of reforms were, for the most part, men who felt an immediate pecuniary need of remedial legislation. This deep personal interest was manifested everywhere, and it is not strange; we were then at the end of the era of falling prices. For nearly a quarter of a century the dollar had been rising in its purchasing power and the price level falling; for nearly 25 years the money owner and the money changer had been drawing in an unearned increment, and the world was being forced into bankruptcy. It was not a national peril only, but a menace to the world.
>
> Three times the leading nations had joined in great conferences, everybody everywhere admitting the seriousness of the situation, the only question being, How shall we escape? That was the situation then; now it is all changed. An unprecedented increase in the production of a precious metal has made such an enormous addition to the world's volume of standard money that conditions are now reversed.
>
> The purchasing power of the dollar, instead of rising, is falling; the price level, instead of falling, is rising; the world, instead of going into bankruptcy, is coming out. If you are paying a debt contracted 16 years ago, you are paying it in dollars that will not, on the average, purchase more than two-thirds as much as the dollars that you borrowed. With this relief from the grinding process there has come an independence that was not then known—that was scarcely then possible.

That is the declaration of our Secretary of State, delivered a few months ago, as I am informed by the public prints. We see this patron saint of Democracy declaring that "for nearly 25 years the money owner and the money changer had been drawing in an unearned increment, and the world was being forced into bankruptcy," which, he says, "caused the leading nations three times to join in great conferences, everybody everywhere

admitting the seriousness of the situation," the question being, "How shall we escape?" He did not state that that condition was caused by a protective tariff.

He says that "for nearly a quarter of a century the dollar had been rising in its purchasing power and the price level falling"; that the whole "world," not the United States, "was being forced into bankruptcy." He did not attribute these conditions to the United States alone, but to the world. Surely, at the end of that "quarter of a century" we had a low cost of living. The dollar had been rising in its purchasing power and the prices had been falling. That condition of things then must have resulted in a low cost of living, so low that in many instances it amounted to beggary. The party in power would apparently return to that condition of things. They tell us they will, by this contemplated act, decrease the cost of living. Possibly they will. But I hope when this bill becomes a law it will not bring the condition of our people to the state of degradation and naked want of that period 17 years ago. Mr. Bryan tells us why things were cheap then when measured by the money standard; he also tells us why they are more expensive now when measured by the money standard. This high price in materials, he says, has been brought about by the "unprecedented increase in the production of a precious metal which has made such an enormous addition to the world's volume of standard money that conditions are now reversed." Money has now, he says, only two-thirds of its former purchasing value. Mr. Bryan, necessarily, from the life he has been living, that of a politician, a traveler, a student, an editor, a lecturer, and general disseminator of the information, which he must have gathered in the various avocations and pursuits he has occupied and followed, ought to be well qualified as to facts, especially from a Democratic standpoint. He does not, I say, blame the high prices on the protective tariff, but, on the contrary, he tells us it comes from an "unprecedented increase in the production of a precious metal," which has caused "the purchasing power of a dollar to fall instead of rise," and says that has brought about such a condition that "the world, instead of going into bankruptcy, is coming out." He declares:

> If you are paying a debt contracted 16 years ago, you are paying it in dollars that will not, on the average, purchase more than two-thirds as much as the dollars that you borrowed.

I am inclined to believe Mr. Bryan was right. The statistics show that over $7,500,000,000 of gold and more than $4,000,000,000 of silver coinage has been added to the permanent circulating money of the world during the last 17 years. The gold coin produced during that 17 years is over half of the total amount produced since the discovery of America, and the silver coin produced during that time is nearly one-third of the total amount produced since the discovery of America. We also see by the statistics that the per capita of circulation is constantly increasing and that now it is at its highest notch—about $34.50. The gold and silver coinage is increasing faster than the population and in the United States much faster than the population and all of the industries, manyfold faster than the supply of all the necessaries of life which enter into the cost of living. We know that money is more plentiful than it was 17 years since; the circulation is also greater. At that time, 17 years ago—1896—we were in the throes of the greatest panic the world has ever witnessed.

The Democratic Party held the reins of government. Well could it be said, "the world was being forced into bankruptcy"; but for that year the gold annually produced by the world for the first time passed the $200,000,000 mark and has never since in any year fallen below it. On the contrary, it has gradually increased, until now it is nearly $500,000,000 annually. The United States for 1912 produced one-fifth of the total output of the world's gold; yet we have only one-eighteenth of its population. In view of this great increase in gold and its consequent less purchasing value, we can accept the idea as a fact that necessaries of life, particularly food and clothing, have risen in price. You say you will reduce that. The producer, on whom you must act, will have a sad fate when you have done so. The money which he receives for his product and labor has fallen one-third in value; his products have not increased that much, measured by the depreciated standard. You now propose without affecting the purchasing capacity of the money to put down the price of the products necessary to sustain the life and comfort of man; that is, after the money has been reduced one-third in its purchasing capacity or value, in turn you propose to reduce the selling price of the products needed to sustain life, measured by the depreciated standard. The candle is burning at one end; you are lighting it at the other end; and the poor producer will soon see his interests vanish.

If it is the purpose of the majority to make a reduction in the cost of living, why not strike at the real cause of it—the "unprecedented increase" in money, which Mr. Bryan, their acknowledged leader, says is the cause? Why abuse the tariff? Why abuse the men who have grown wealthy by reason of their intelligence, perseverance, economy, and foresight? If they believe in their leader and his assertions, they should cut off the real cause, close the mints, make it a crime to labor underground and take gold from the bowels of the earth; they should prevent the mining of the precious metals and make treaties with foreigns countries to stop the production of standard money.

The wool and sugar produced in the United States have kept more money in this country than the total amount of money which has been realized from the precious metals taken from the mines in the United States.

By the adoption of this bill as a law the majority will do as much injury to the people as if they closed the mines and shut up the mints. Would it not do more harm? The harm to the industries which will be affected by this bill as a law will be much more diversified, reach directly a greater number of our people, and will be in the aggregate much greater. I do not favor either proposition; but, between the two evils, would not reason require them to favor the lesser?

There can be no more complaint against the increased output of gold and consequent increase of wealth during the last 17 years than there was during the 400 years previous. While the cost of living has increased, the comforts and conveniences of living have kept pace with it. The capacity to do business has grown in like measure. We can accomplish as much in a day now as we could in a month 100 years ago.

When I first went to New Mexico in 1866 it took me 52 days to make the trip from Kansas City to Santa Fe; now it is made in less than 30 hours—with much more comfort. Is there not a good and natural reason for the high cost of living? Can we acquire any permanent benefit in the affairs of life without having to sacrifice something for it? If we become more capable to transact business and can do manyfold times more of it in a given period, and, at the same time, enjoy greater satisfaction and pleasure as well as comfort, should we not expect to give up something for it? We can not cut living down to lower prices and of a plainer kind and still keep up the same incomes, especially with the laboring man, whose work goes into the cost of everything produced, nor can we keep up the present mode of living and cut down prices of labor, which is nine-tenths part of the cost of every product. It costs the sheep raiser in New Mexico from $1.75 to $2 per head per annum to care for his sheep. They do not yield exceeding 6 pounds per head of wool each year. For that wool, prior to the present season, they were receiving from 17 to 20 cents per pound. Wool some three or four months since was down to 12 cents in New Mexico. After that, owing to the fact that the foreign wools were being held back and stored in the warehouses by the manufacturer, a bigger demand was made upon the wools of the Western States, so there was an increase in the price to about 15 cents a pound last month in New Mexico. It is known that the wool importer is storing his wool to get the benefit of the reduced tariff. He is unwilling to let in any stock or supply of wool or woolen goods beyond what he will need for use until the time when this bill shall go into effect as a law. The result is that the markets for wool abroad are, in a measure, for the present shut out. The American supply is being used up, but it is being used up at a less price than for years past. No wool producer or sheep raiser, with the tariff off both wool and sheep, can expect to realize over 10 cents per pound for his wool in the State of New Mexico.

Possibly some of the wools from the States of Wyoming and Montana, which are of a different grade, may sell for a slightly greater price, but no sheep raiser with his wool cut down to 10 cents per pound, and the market for his sheep as mutton thrown into competition with all the sheep of the world on a free-trade basis, can expect to realize as much for his mutton as he is receiving to-day. Should he dispose of all his sheep, the market will be flooded and prices cut down. That he must expect, and so much he certainly does expect. As I have suggested, he is selling his wool and sheep in markets to-day for money which is only worth two-thirds of what it was 17 years ago. You are undertaking to take off of the value of that sheep the $1.50 which was imposed on it as a duty, and also the rate per pound which was imposed on the wool as a duty. This certainly takes off one-third of the value of the sheep and one-third of the value of the wool. With a depreciated currency and a depreciated wool and meat value, you will leave him little with which to pay his current expenses and to support himself and family. Can you expect that industry to last? It seems to me no sane man can do so.

You will destroy by this bill the entire sheep and woolen industry. It is true the sheepmen will not lose all the value of

their sheep, because they will put them into the meat markets and realize as much as possible, but they will not realize what they would have been able to realize had the duty on foreign meats and live stock not been taken off, as it will be, by this bill. The sheep of this country are worth to-day $250,000,000. This industry employs three men on the average for each 1,500 head of sheep, at a salary of not less than $400 per year and board. This bill will discharge 35,000 sheep employees, receiving each a salary of $400 per annum. It will cripple the woolen manufacturers by reducing the duty upon their output. In fact, it is liable to destroy the entire business. In 1910 there were 1,124 establishments for the manufacture of woolens in the United States, paying annually wages to the amount of $88,000,000 and turning out products of the value of $507,000,000. They had invested in their business over $500,000,000 of capital, all of which will practically be destroyed by the enactment of this bill into a law.

We imported last year—1913—238,000,000 pounds of wool, which paid a duty of about $16,000,000 into the Treasury. That amount of duty will be lost to the Treasury except as it is made up by the income tax. We produced last year in the United States over 300,000,000 pounds of wool, every pound of which will have to be imported if you destroy that industry in this country. We will have to send to foreign countries moneys to procure it, which we would otherwise keep at home and also be able to keep on employing 300,000 wage earners now engaged in woolgrowing and the woolen manufactories.

It will be the same in regard to the sugar industry, except in a greater degree. That is an industry which in the last 20 years has increased many hundredfold. To-day it is supplying more than half the sugar needed by our people and the outlook for it 10 years from this day is that it will be supplying more than all the needs of our people. But by this bill at the end of three years it will be closed up. All the wage earners now occupied by it will be put out of employment. It will destroy the manufacturing plants, which can never be used for any other purpose. All the sugar which we produce now you will have to import and pay for by sending money out of this country which we should keep at home. You will lose the duty on the other half which we do not now produce. It is possible that the income tax will make good the duties which we will lose on wool and sugar, but it will not make good the duties which you will lose on other articles which you have placed on the free list and which were heretofore dutiable nor the amounts to which you have reduced hundreds of other articles from what they are under the present law. To supply that additional income to the Government we must rely upon increased importations. It is too uncertain to rely upon the income tax, the amount of which we can only guess at and not accurately calculate. The money for this additional importation must be sent from our supply at home, and that will be several hundred millions of dollars. You expect to reduce the value of every production in the United States to get cheaper living. You expect to do that by making it impossible to produce it in the United States at the present prices of labor and without reducing the price of our food products raised at home.

You expect, also, to reduce it by the importation of vast quantities of foreign products which we do not now have to import, but which we will then have to import to make up the amount of revenue required for the Government and to replace the products which we will have ceased to produce in the United States. You intend to stop the augmentation of our money supply and send away a portion of that we now have. To-day we are rich in the fact that we have a balance of trade to the amount of $650,000,000 in our favor. That does not mean, however, that our wealth is increasing yearly by that amount; to that you can add the gold and silver coinage in this country, amounting to about $130,000,000 each year; also, the amount of money investments yearly sent from foreign countries to be put into our railroads, buildings, and manufacturing establishments, and other industries, which may possibly reach $350,000,000; and also about $100,000,000 more from other sources, making a total of $1,230,000,000 of increased wealth each year in the United States. But it must be understood that there will be taken from us annually at least $250,000,000 spent by tourists of this country; $200,000,000 paid to foreign shipping, the cost of transporting our ocean freight over and above the amount that we transport of foreign shipping; we also pay into foreign countries at least $300,000,000 annually as dividends on stock and interest on bonds and other securities which we owe there. The foreign population which comes into our country sends back annually through the banks $275,000,000, and about 230,000 of them annually return to the Eastern Hemisphere, taking with them another $75,000,000. Last year we exported from the United States about $40,000,000 more of gold and silver than we imported, making a total of $1,140,000,000 which last year we paid into foreign countries otherwise than for the amount of money brought into our country, showing a difference in our favor between the moneys which we received in this country by way of increase in our wealth and that we expended otherwise in foreign countries of $90,000,000. This is based upon the business of the last fiscal year as far as I have been able to ascertain it. Of course, this does not constitute all the increase in the wealth of our country. We have the increase in the value of real and personal property, which runs into billions, but that is a species of wealth which can be of no particular benefit to us unless we have the circulation through which to utilize it. It makes no difference if a man's farm should double in value if he gets no greater crop or income from it. Or if his residence in the city should double in value all he gets out of it will be his living in it and no particular benefit from its double value except an increase of credit. In order to make up for the deficit which will be occasioned in closing up the many business establishments will not this bill take from us more than this $90,000,000? The income tax will only help out so far as the revenue for the Government is concerned. So far as the interest of the people at large, the capitalists, the employer, and particularly the laboring man and his family who are dependent upon small incomes, this change in the financial condition will be felt very grievously. This bill, by closing up various industries, will operate to discharge large numbers of workingmen; and this simply to reduce the cost of living. Those men must either beg or compete at lower prices for the places of others. A crash necessarily must come in their line of business.

Industries will likewise not be able to support themselves and the vast amount of wealth invested in them will become worthless or idle. Some of it may be used in other directions so as to produce a profit and help build up the country. But the destroying of an industry is very much like the destruction of the house upon a lot for the purpose of building one of an inferior value or problematical value. You will lose the use of your lot and house for the time you are waiting, expend your resources and occupy the new house as a pauper rather than an independent individual. There is much danger that by the passage of this bill, immense wealth, great industries, and a great amount of labor must be destroyed or vastly lessened in its productive value. Wisdom and discretion would dictate a much more conservative bill than the one which the majority have resolved to enact. If duties are greater on any industry than its healthy maintenance requires, let them be reduced conservatively until their influence upon that industry is sufficient only for its proper support, and, at the same time, give it a fair competition.

The region of this country embracing the Rocky Mountains and the slopes thereof is peculiarly adapted to the raising of live stock because of its unsettled condition, but that country, owing to the activity, energy, and intelligence of our people, is fast being settled up. Water is the great desideratum there. By reason of the improvements in power and pumping machinery and the lessening of the cost of those articles our people are being rapidly made able to procure water profitably where it was never thought of 20 years ago. The vast plains, which have heretofore been scarcely considered possible for even dry farming, by the use of pumping machinery will be made valuable for live stock, especially sheep, goats, and cattle. By that means lands can be cultivated and such animal foods produced as will enable those people to support 10 head of live animals where they support 1 now. But they must be encouraged. Their industry must not be destroyed and broken down. They must not be driven out of business. They are fast adopting improved ways of getting water. The Government itself is enabling them by the use of the irrigation systems adopted to conserve much of the running water.

They are exploring, as western men always energetically do, the soils and going into and under the soils to find where they can reach underground flows and bring them to the surface. They are discovering that there are greater possibilities in that way than had ever been dreamed of, in this or in any other country, prior to the last 10 or 15 years. The Western States have always worked at a disadvantage. They were the last to have the railroads reach them, and when they did reach them railroad freights were at such enormous rates and prices so high that little aid was given to those people. But those rates are being systematically reduced. New railroads are being built and projected into that country. New resources are being developed. The great area of coal lying in this region is making fuel cheaper and bringing it to the door of the western farmer and producer, so that now he is beginning to have some of the advantages that his eastern progenitor enjoys and which they have enjoyed for more than 100 years. Time will bring down the prices of labor and the prices of commodities and the prices of the necessary cost of living to a nearer general level

throughout this country than it is to-day. That level can not be legislated down. To-day there is a greater difference between the cost of living in the Rocky Mountain portions of this country and that of the New England or Mississippi Valley States than that which exists between eastern United States and European countries on the average. It appears as if the majority in Congress is seeking, or is intending, without due consideration, to enact this bill into a law so that it will operate to turn back the progress of the Western States 20 years, unless it should be changed soon. We have confidence in the justness of the people at large, in their wisdom, and in their sound sense, and we are satisfied that when the effects of this bill are realized by them through their experience, which will be dearly bought, they will quickly return to the conditions under the present law or enact another and a different tariff which will encourage, aid, and elevate all of our industries and labor to a standard which will make our people easy in their circumstances, happy in their living, and proud of being citizens of the United States.

The PRESIDING OFFICER (Mr. LEWIS in the chair). The question is upon the amendment offered by the Senator from New Mexico [Mr. CATRON].

Mr. GALLINGER. Mr. President, I would suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from New Hampshire suggests the absence of a quorum, which exacts a roll call. The Secretary will call the roll.

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

Ashurst	Gallinger	Nelson	Smith, Md.
Bacon	Hollis	Norris	Smith, S. C.
Bradley	Hughes	O'Gorman	Smoot
Brady	Jackson	Overman	Stephenson
Brandegee	James	Page	Sterling
Bristow	Johnson	Poindexter	Stone
Bryan	Jones	Pomerene	Sutherland
Catron	Kenyon	Ransdell	Swanson
Chamberlain	Kern	Robinson	Thomas
Chilton	Lane	Saulsbury	Thompson
Clark, Wyo.	Lea	Shafroth	Thornton
Clarke, Ark.	Lewis	Sheppard	Tillman
Colt	McCumber	Sherman	Walsh
Cummins	McLean	Shively	Warren
Dillingham	Martin, Va.	Simmons	Weeks
Fall	Martine, N. J.	Smith, Ariz.	Williams
Fletcher	Myers	Smith, Ga.	Works

The PRESIDING OFFICER. Sixty-eight Senators having answered to their names, a quorum is present.

Mr. CATRON. I ask for the yeas and nays upon my amendment.

The yeas and nays were ordered.

Mr. BRISTOW. Mr. President, I desire to say, before the roll is called, that I intend to vote for this amendment, but in doing so I wish to state that the duties on some of the manufactured articles are higher than I think they ought to be, but as compared with the present provisions in the bill I think it better, because it puts a duty on wool. If I myself were fixing the duty, I would reduce the duty on wool somewhat and on a number of the manufactured articles, but, as it provides a substantial reduction from the present law and, as compared with the provision in the pending bill, I believe it more just, though, as I say, the duties are higher than they should be.

The PRESIDING OFFICER. The Secretary will call the roll on agreeing to the amendment of the Senator from New Mexico.

The Secretary proceeded to call the roll.

Mr. LEA (when his name was called). I again transfer my pair with the Senator from South Dakota [Mr. CRAWFORD] to the Senator from Oklahoma [Mr. OWEN] and vote. I vote "nay."

The PRESIDING OFFICER (when the name of Mr. LEWIS was called). The present occupant of the chair desires to state that he is paired with the Senator from North Dakota [Mr. GRONNA].

Mr. MCCUMBER (when his name was called). I have a pair with the senior Senator from Nevada [Mr. NEWLANDS] whom I do not see in the Chamber. I transfer that pair to the junior Senator from Maine [Mr. BURLEIGH] and vote "yea."

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from California [Mr. PERKINS]. I do not see him in the Chamber and therefore withhold my vote. If I were at liberty to vote, I should vote "nay."

Mr. SMITH of Georgia (when his name was called). I have a general pair with the senior Senator from Massachusetts [Mr. LODGE]. That Senator has not voted, and I therefore withhold my vote. If I were at liberty to vote, I should vote "nay."

Mr. THOMAS (when his name was called). I have a general pair with the senior Senator from Ohio [Mr. BURTON], and therefore withhold my vote. If I were at liberty to vote, I should vote "nay."

Mr. WILLIAMS (when his name was called). I do not see the senior Senator from Pennsylvania [Mr. PENROSE], with whom I am paired. Has he voted?

The PRESIDING OFFICER. The Chair is informed that he has not.

Mr. WILLIAMS. Then I withhold my vote.

The roll call was concluded.

Mr. BRYAN. I have a pair with the junior Senator from Michigan [Mr. TOWNSEND], which I transfer to the Senator from Nebraska [Mr. HITCHCOCK], and vote "nay."

Mr. CHAMBERLAIN (after having voted in the negative). I have a general pair with the junior Senator from Pennsylvania [Mr. OLIVER]. He has not voted, and I therefore desire to withdraw my vote.

Mr. REED. I have a pair with the Senator from Michigan [Mr. SMITH], and in his absence I withhold my vote. If I were at liberty to vote I should vote "nay."

The result was announced—yeas 26, nays 38, as follows:

YEAS—26.

Borah	Dillingham	McLean	Sterling
Bradley	Fall	Nelson	Sutherland
Brandegee	Gallinger	Page	Warren
Bristow	Jackson	Poindexter	Weeks
Catron	Jones	Sherman	Works
Clark, Wyo.	Kenyon	Smoot	
Colt	McCumber	Stephenson	

NAYS—38.

Ashurst	Johnson	Ransdell	Smith, S. C.
Bacon	Kern	Robinson	Stone
Bryan	Lane	Saulsbury	Swanson
Chilton	Lea	Shafroth	Thompson
Clarke, Ark.	Martin, Va.	Sheppard	Thornton
Fletcher	Martine, N. J.	Shields	Tillman
Gore	Myers	Shively	Vardaman
Hollis	O'Gorman	Simmons	Walsh
Hughes	Pittman	Smith, Ariz.	
James	Pomerene	Smith, Md.	

NOT VOTING—31.

Bankhead	Cummins	Lodge	Reed
Brady	du Pont	Newlands	Root
Burleigh	Goff	Norris	Smith, Ga.
Burton	Gronna	Oliver	Smith, Mich.
Chamberlain	Hitchcock	Overman	Thomas
Clapp	La Follette	Owen	Townsend
Crawford	Lewis	Penrose	Williams
Culberson	Lippitt	Perkins	

So Mr. CATRON's amendment was rejected.

Mr. RANSDELL obtained the floor.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Iowa?

Mr. RANSDELL. For what purpose?

Mr. KENYON. Mr. President, I voted on the amendment offered by the Senator from New Mexico [Mr. CATRON] under a misapprehension. I should like to change my vote from "yea" to "nay."

The PRESIDING OFFICER. The Chair is disposed to hold that the vote can not now be changed after the announcement of the result.

Mr. RANSDELL. Mr. President, I send to the desk an amendment, which I now desire to offer.

The PRESIDING OFFICER. The Senator from Louisiana tenders an amendment, which will be stated.

The SECRETARY. It is proposed to amend, on page 53, by striking out the proviso in lines 11 to 13, inclusive, as follows:

Provided further, That on and after the 1st day of May, 1916, the articles hereinbefore enumerated in this paragraph shall be admitted free of duty.

Mr. RANSDELL. Mr. President, if I understand the principles of the Democratic Party in regard to the tariff, they inculcate the idea that a tariff or duty should be imposed on articles brought into the United States from other countries in order to raise revenue, and it is not permissible or defensible to impose any duty on foreign importations unless a fair degree of revenue be thereby raised. If some incidental protection comes through such a course, that is all right, but the Democrats have never thought it permissible to impose a tariff primarily for protection. Their idea has always been that those articles should be selected for the imposition of tariff duties that would bring the greatest revenue and bear most lightly upon the consumers of the Nation. In seeking articles of that kind, from the very earliest day until this moment, with one brief exception, sugar was considered and found to be the ideal article for producing revenue and for bearing lightly upon the consumer.

SUGAR DUTY LESS BURDENSOME THAN OTHER DUTIES.

That fact, Mr. President, is well illustrated when I tell you that the total per capita cost to all the citizens of the United States of sugar is $3.97. This includes what the farmer who raises beets and cane gets out of sugar, what the manufacturer who makes the sugar from beets and cane receives out of it, what the refiner who refines it receives from it, and, in addition

thereto, what the Government receives in the way of an annual revenue, which has averaged over $54,600,000 a year for the last 10 years. Each citizen of this Nation pays on an average for sugar $3.97, and the Nation has collected annually from sugar for the past 10 years something like $54,600,000.

Another favorite article of revenue for many years has been wool and the manufactures thereof. The average annual cost to the consumer in America of woolen goods is $6.39, and from wool we have received a revenue of $21,000,000 a year.

Another favorite article of revenue has been the manufactures of cotton. Those manufactures cost the citizen $8.15 per capita per annum, and from cotton goods we receive about $38,000,000.

Another object for revenue has been steel and iron and the products thereof, and the citizens of this Nation pay an average every year for steel and iron and its products of $15.85 per capita, while the revenue derived from import duties on steel and iron and the products thereof has been about $12,500,000.

IDEAL REVENUE TAX.

Therefore, sir, we have sugar giving us $54,600,000 revenue and imposing a burden on the citizen of something less than $1 per capita; wool giving us a revenue of $21,000,000 and imposing a burden upon the citizens of $6.39 per capita; cotton manufactures giving us $38,000,000 and placing a burden upon the citizen of $8.15; iron and steel giving us $12,500,000 a year revenue and a burden upon the citizen of $15.85. Let me ask, does it require any difficult calculation to determine which of these commodities is the best revenue producer and which bears most lightly upon the citizen? Unquestionably it is sugar. A bare statement of these facts makes the proof beyond question. So that if the Democratic policy be, as I have stated, to have a tariff for revenue upon such articles as bear lightest upon the citizen, then one of those articles unquestionably is and has always been sugar.

APPROVED BY ALL PAST DEMOCRATIC ADMINISTRATIONS.

Mr. President, in 1789 the first tariff was laid on sugar of from 1 to 3 cents per pound. From that day to this moment, except under four years of the McKinley law, there has been a duty upon sugar, and under the McKinley law, as we all know, there was a duty of half a cent a pound on sugar above No. 16 Dutch standard and a bounty was paid to the sugar raisers of 2 cents per pound. Under that great man of whom all Americans are so proud, Thomas Jefferson, of whom all good Democrats are so fond, and whom they delight to call the founder of their party, there was a duty on sugar of from 1½ to 3 cents per pound; under those illustrious Democrats, Madison and Monroe, for the 16 years of their administrations, there was a duty of from 3 to 12 cents per pound imposed on sugar; under that old war horse of Democracy, Andrew Jackson, followed by his great pet, Martin Van Buren, there was imposed a duty of from 2½ to 12 cents per pound; under Mr. Polk, the Walker tariff of 30 per cent ad valorem; under Mr. Buchanan, another ad valorem tariff of 24 per cent; and under Mr. Cleveland, the last preceding Democratic President, a tariff of 40 per cent ad valorem and one-eighth of 1 cent a pound additional upon sugar over No. 16 Dutch standard.

The Democrats, Mr. President, have ruled this Nation during 56 of the 125 years of our national life. During every moment of the time when they were in power sugar was regarded as an ideal article of revenue and always bore a revenue duty.

DEMOCRATIC PARTY NOT PLEDGED TO FREE SUGAR.

When the Denver platform was adopted in 1908, what did we say about sugar? Nothing, so far as I have been able to find. The platform reads thus:

> Material reductions should be made in the tariff upon the necessaries of life, especially upon articles competing with such American manufactures as are sold abroad more cheaply than at home; and gradual reductions should be made in such other schedules as may be necessary to restore the tariff to a revenue basis.

That was the Denver platform.

At Baltimore last year we said:

> We recognize that our system of tariff taxation is intimately connected with the business of the country, and we favor the ultimate attainment of the principles we advocate by legislation that will not injure or destroy legitimate industry.

Sir, a short while ago, only a few days after the adoption of the Baltimore platform, the Democrats on the Finance Committee of the Senate presented a report to this body on the then pending sugar bill; and that report was signed by Senators Bailey, SIMMONS, STONE, WILLIAMS, KERN, and JOHNSON. Four of those men are now on the Finance Committee. One of them is the chairman of the Democratic caucus of the Senate. Let me read what those gentlemen said at that time, shortly after the Baltimore convention. It has been read in the Senate several times already, once by my distinguished colleague from Louisiana [Mr. THORNTON], once by myself, and perhaps by others; but it is such good Democracy and bears so strongly upon the question at issue that I can not refrain from quoting from it again:

[Senate Report No. 763, part 2, Sixty-second Congress, second session.]

DUTIES ON SUGAR.

(July 27, 1912.—Ordered to be printed.)

* * * * * * *

The tariff on sugar is peculiarly a revenue tariff. Very much the major part of the tax levied upon the consumer of sugars and sweets goes actually into the United States Treasury for the use and behoof and benefit of the American people. A minor part of the tax goes into the pockets of the producers. Upon numberless articles in the Payne-Aldrich tariff bill the duties are either prohibitive, or very nearly prohibitive, or highly exploitive, and in all these cases very much the major part of the tax levied upon the consumer goes into the pockets of the American producers, a special and favored class, and very scantily, and sometimes not at all, reaches the Treasury. In the next place the majority of the tariff schedules which have been adopted by the House and sent over to the Senate during this Congress make a reduction of about one-third. In the face of its record in connection with other bills the House reduced the duties upon sugars and the products of cane and sugar beets 100 per cent; in other words, entirely canceled the existing duties. It seemed to us that this was not in keeping with the promise of Democratic platforms to reduce present protective duties "gradually" toward and finally to a revenue basis. We have seen no reason why sugar should have been excepted from the general policy advocated by the Democratic Party and believed by us to be right.

Again, in levying an import duty upon sugar for revenue purposes, we are imitating the time-honored and time-justified precedent.

* * * * * * *

We have not felt that it was wise to surrender fifty millions of public revenue at one swoop by putting sugar and sugar-cane and sugar-beet products upon the free list, especially in view of the fact that there exist numberless other import duties prohibitive in their character from which the people's Treasury does not procure any money at all, or else a negligible revenue, the practical operation of such taxes being to take money from the pockets of the consumer and put it into the pockets of the producer.

* * * * * * *

Mr. President, let me ask you and all those within the sound of my voice what change has come over the spirit of the dreams of these distinguished men, four of whom are now on the Finance Committee, when but a short time ago, following the adoption of the Baltimore platform, they declared in the most positive and emphatic manner for a duty on sugar, and now they say sugar must be placed upon the free list? What change has come over the country since then? What great exigency compels us to place sugar upon the free list now, when for 125 years it has borne a duty and been the most reliable revenue producer? What impelling force induces us now to change the policy under which we have worked so long and so successfully, at least so far as a revenue is concerned?

Echo answers What? Mr. President. I have been unable to find any answer, and I do not believe anyone can find any satisfactory answer to this question; and yet it is being done.

REFINERS' FALSE CLAIMS.

Sir, during the last campaign and prior thereto very extravagant claims were made to the American people about the great saving that would result to the citizen if sugar were placed upon the free list. Who made those claims, principally, at least? Mr. Claus Spreckels was largely responsible for them. Mr. Claus Spreckels told his man Friday, one Frank C. Lowry, "to go out and beat the drum and make a noise," and make the American people believe that the duty on sugar was an awful burden; that the duty should be removed from sugar. Friday went out, made the noise, and beat his drum very loudly—so loudly that a great many people in my own party helped him to beat it. According to his own testimony he succeeded in writing, to a great extent, the sugar "dope" which was used in the Democratic campaign book. I am sorry to make this admission, but that is what this gentleman said on oath before the lobby investigating committee, and as there has been no denial of it, so far as I am informed, I imagine it must be true.

Mr. Lowry sent innumerable documents among the American people to make them believe that if sugar were placed upon the free list there would be a reduction of 2 cents per pound in the cost thereof when he knew as well as he knew anything that the total effective rate of duty upon sugar—at least against Cuba, whence practically all of our foreign importations of sugar come—was only 1½ cents per pound, hence there surely could be no greater saving than the total amount of the duty, or 1½ cents instead of 2 cents per pound.

Suppose every American citizen should be relieved of this 1½ cents per pound, how much saving would it be to him upon the sugar he consumes? The Department of Commerce tells us that the per capita consumption annually is about 82 pounds of sugar.

The Bureau of Labor finds that 53.7 pounds per capita are purchased as sugar, to be consumed directly by the householder; that something like 29 pounds are consumed by confectioners, makers of sweet gum, soda water, preserves, jellies, and things of that kind. No one contends that articles of that sort would ever be sold for any less if there should be a slight reduction in the cost of sugar.

Hence the saving on 53.7 pounds, if the whole duty of 1⅛ cents per pound were calculated, would mean 72 cents per capita per annum.

But, as an offset to this, consider that sugar yields a revenue of $54,000,000 per annum, and this loss in customs must be collected from the consumer in some other form of taxation. Estimating the population at 90,000,000, there would have to be collected to meet this deficit 60 cents per capita per annum.

This would leave a saving in our national sugar bill of 12 cents per annum per capita, or 1 cent per month for every man, woman, and child in the Union. But there would be no such saving, for the middleman would absorb it all.

Mr. President, why were Mr. Lowry and his principal, Mr. Spreckels, so anxious to have sugar go on the free list? Certainly not to save this 1 cent per month per capita; and they were not deluding themselves, no matter how far they may have fooled the people, when they falsely claimed the saving of 2 cents per pound on every pound of consumption in the United States.

REASON OF REFINERS' CAMPAIGN.

The reason is perfectly apparent. Mr. Spreckels is a refiner. There are a number of large refiners in this country who annually refine something like three-quarters of all the raw sugar brought into this country from Cuba, Porto Rico, Hawaii, and the Philippine Islands. They have made immense fortunes out of sugar refining. But not content with their fortunes, they falsified the weights at the customs warehouse in New York—at least the American Sugar Refining Co. and several other refining companies did so—and the proof of these frauds was so positive against them that they disgorged about $4,000,000 to the United States Treasury on account of the frauds proved up against them. There has been no proof as yet of frauds committed by Mr. Spreckels's company, although a suit is now pending against him and his company for alleged frauds.

Why do these gentlemen wish to have sugar on the free list? They believe that if it goes on the free list the industry will be destroyed in Louisiana, where about 325,000 tons a year are made. They believe that the rapidly growing beet-sugar industry of the West, where about 700,000 tons annually are being made, will be crippled, and they will be freed from competition. They will control the importation, and do the refining of all this sugar before it is marketable, and will be able to put their own price upon it. It is very natural that they should like to get rid of the competition of the beet growers of the West and the cane growers of Louisiana.

MARVELOUS GROWTH OF BEET-SUGAR INDUSTRY.

While the Louisiana industry has not grown very largely in recent years, owing to unavoidable disasters, the beet-sugar industry has grown by leaps and bounds—from 30,000 tons in 1898 to about 700,000 tons during the last year. It has shown a marvelous growth; and, if the beet-sugar industry is given any chance to continue to grow and prosper as it has in the last 15 years, within 15 or 20 years more the refiners of the Atlantic coast will be literally driven out of business, because the beet factory owner manufactures white sugar out of the beet, and it is ready for the market when it leaves his factory.

The late Secretary of Agriculture, Mr. Wilson, stated that there were 274,000,000 acres of land in the United States well adapted to the cultivation of beets. If 4,000,000 acres out of these 274,000,000 acres were planted in beets and properly cultivated—4,000,000 acres being only a very infinitesimal modicum of the total area adaptable for the purpose—they would produce all the sugar we need in the United States.

If we should encourage this beet-sugar industry as we ought as progressive statesmen, in a few years we would be making not only every pound of sugar needed for home consumption, but would be shipping sugar to other lands. Then what would happen to the refining companies? What would happen to Mr. Lowry and his friends? They would be put out of business beyond any question. So they are exceedingly anxious to have the Democratic Party play into their hands and place sugar upon the free list in order that this competition may be destroyed and they may be permitted to continue in business and charge what they please for sugar. When that good time comes, as it seems to be coming, there will no longer be any necessity for these gentlemen to defraud the Government by false weights. It will cost them nothing then to import their sugar, and they can charge the American people what they wish.

This was forcibly illustrated in the summer of 1911, when there was a short crop in the world. In July and August of that year, before the beet sugar came in, the sugar refiners raised the price to 7½ cents per pound. They raised it over 2 cents per pound, and it stayed up until the beet sugar began to pour into the market, when with that competition they were forced to lower it again. The competition at that time of domestic cane sugar and of beet sugar saved the American people between twenty and thirty million dollars, which otherwise they would have been forced to pay through the bulling of the market by the refiners, in which course they would have continued had not the natural competition of cane and beet sugar coming on the market destroyed their power.

CHEAP SUGAR INSURED BY ENCOURAGING DOMESTIC INDUSTRY.

Some of the greatest students and experts on this subject in this country, like Mr. W. P. Willett, of Willett & Gray, and Dr. H. W. Wiley, have stated that the only way to insure cheap sugar to the American people was to foster and encourage the growth of domestic sugar. If we could raise enough sugar at home to satisfy our demands, it would be very cheap, but if we destroy the domestic production and then should meet with another shortage in the world's crop, as there was in 1911, instead of getting sugar at 4¼ to 4½ cents, as we are getting it now, we shall probably have to pay 7 to 7½ cents, as we did in the fall of 1911, and it may go to 8 cents.

One of the greatest statesmen this world has ever produced, Napoleon Bonaparte, was the first man to really and seriously encourage the production of sugar in the limits of his own country, in order that France might not be dependent upon the markets of the world. As the result of the encouragement at that time by Napoleon and the wise example set by him then, beet sugar has within the past century grown to such proportions that fully one-half of all the sugar consumed in the world to-day is made from beets.

THE PRICE OF FREE SUGAR.

I very much fear that my party, unconsciously I am sure, is playing into the hands of these refiners in placing sugar upon the free list. Beyond question we may have cheaper sugar for a brief term of years, perhaps three or four or five years, sufficiently long to destroy the Louisiana industry, sufficiently long to check and retard and put out of business a great many of the beet farmers of the West, sufficiently long to impoverish and force to the auction block a number of sugar planters of Hawaii and Porto Rico.

I do not say it will completely destroy the industry in the West. Some of the more favored factories may go on for awhile. I do not say it will completely destroy the industry in Hawaii and Porto Rico. But I do say it will give a terrible blow to sugar production in those islands and to beet sugar in the West.

What will it do to Louisiana? It will destroy our industry. It will completely ruin a business in which the people of that State have been employed for over a hundred years. Nearly 200,000 of them are engaged in the business directly and indirectly. There are fully half a million people dependent for a living upon it. There are fully $100,000,000 invested in the industry. Yet, Mr. President, without excuse or justification, contrary to the practice of 125 years, without any serious demand made by the leaders of the party, without anything in the platform calling for it, without any real benefit to come to the American people, we by this legislation are going to ruthlessly destroy that industry.

Suppose we strike this blow, what is the very greatest benefit that can come in lieu of the $54,000,000 revenue that we now receive from sugar? What benefit will the citizen get? At the very outside a saving of 12 cents per capita per annum. Is not this a princely sum? And in return for that great saving you are going to destroy a great legitimate American industry in which hundreds of millions of dollars are invested, the continuance of which was guaranteed by the Baltimore platform. You are going to make sad and forlorn the people of Hawaii and Porto Rico and many of the Western States, and you are going to strike a mortal blow at the prosperity of a Southern State which has never wavered in her loyalty to the Democratic Party. Are we justified in doing such a cruel thing? Ah, Mr. President, I can not believe it.

RAW WOOL DESERVING OF DUTY.

I have said that sugar was a legitimate industry. Wool is also a legitimate industry. My party, at the same time it strikes down sugar, is dealing a blow to another product of the farm—raw wool—which has paid to the Government an annual revenue of over $20,000,000. We are treating the farmers of this country pretty roughly, Mr. President, when we refuse to ask any revenue in this bill from two of the greatest products of the farm—wool, which has given us over $20,000,000 revenue, and sugar, which has given us $54,000,000 a year revenue.

I thought we would be more solicitous for the farmers than that. I thought the Democratic Party was for fair play, equal and fair treatment to all the citizens of the Republic. Is it fair play, Mr. President, to place wool on the free list and place a duty of about 37 per cent, if I am correctly informed, upon all articles manufactured out of wool?

I can not wear raw wool. I can not use carpets in the raw woolen state. I can not use blankets in the raw woolen condition. Raw wool is not an article of consumption. It must be

manufactured before it can be consumed. Before the American citizen can buy the woolen article and use it for clothing and covering or for carpets on his floor it must be manufactured.

What is the effect of placing raw wool on the free list? It inflicts a serious blow on the farmer, for raw wool is his finished product. He has to labor hard in the heat of summer and in the cold and the snow of the wintry blasts to care for his sheep. He gets no duty, no modicum of protection or saving care from a solicitous guardian Government under this bill.

But the man who manufactures that wool is to have an opportunity to buy his raw material cheaper. What guaranty has the American citizen that he can buy woolen goods cheaper? Is he allowed to go into the markets of France, Germany, England, and other foreign countries to buy woolen manufactures? Oh, no. This bill imposes a duty on manufactured articles of wool of about 37 per cent.

So it seems to me, Mr. President, if our purpose is to lower the cost of living to the consumer we would have placed the woolen manufactures on the free list and not the raw wool, or at least we would have treated the manufactured article which the people consume in the same way that we treated the raw wool.

Mr. STONE. Mr. President, I should like to ask the Senator from Louisiana how he voted on the wool schedule when it was in committee?

Mr. RANSDELL. I voted in committee for the wool schedule as reported, but I announced that I was going to oppose sundry items in the bill, and I repeatedly stated that I favored a duty on raw wool. I stand ready now, if anybody introduces a reasonable measure to put wool on the dutiable list, to vote in favor of it.

Mr. STONE. The Senator voted for the schedule as it was reported. Is that correct?

Mr. RANSDELL. I did.

Mr. STONE. Did I understand the Senator to say that he voted in committee and in conference for something he was opposed to and intended to oppose on the floor of the Senate?

Mr. RANSDELL. I voted in committee for the schedule and stated that I intended to support a duty on raw wool. Certainly I did. Is there anything inconsistent in that? If there be, the Senator can make the most of it.

ANXIOUS TO SUPPORT BILL.

I have been trying, Mr. President, to get this bill in as good shape as I could, in a shape in which I could support it. I want to support it, and I wish now that you would amend it by giving a reasonable rate of duty on raw wool and a reasonable rate of duty on sugar. These two great products of the farm should be placed on a par with manufactured articles, and if you will amend the bill in that way I will cheerfully vote for it. Indeed, if you will place a duty on sugar in proportion to the average rates carried in this bill—aye, even below the average—I will waive my objection to free wool and other free agricultural products, as they are not of special interest to my people, and vote for the bill.

I repeat, Mr. President, in my judgment there has been a very unjust discrimination against the products of the farm in placing both wool and sugar upon the free list.

Mr. STONE. If the Senator will allow me——

Mr. RANSDELL. Yes.

Mr. STONE. When the woolen schedule was up in the Senate and we were voting on the items——

Mr. RANSDELL. I was not present when you voted on the items.

Mr. STONE. On none of them?

Mr. RANSDELL. No, sir. I do not recall being present when the items were voted on. I voted against Mr. LA FOLLETTE's amendment, and told him that if he had put a duty of 15 per cent on wool I would cheerfully vote for it. I wanted the raw wool placed on a par with the other items protected.

Mr. STONE. Was not the Senator from Louisiana in his seat when the wool schedule was under consideration in the Committee of the Whole, and did he speak against it or vote against an item in it?

Mr. RANSDELL. I do not recall that I voted against an item in it; I do not think I did; but I certainly stated in the committee that I reserved my right to oppose items of the bill of which I did not approve. I voted against several items touching the farm which had not been treated fairly, in my judgment, and I yet intend to vote for a duty on raw wool if I get an opportunity.

Mr. STONE. The Senator said in conference that he reserved the right, as I remember, to oppose the action of the conference on sugar because he was pledged to his people to oppose putting sugar on the free list.

Mr. RANSDELL. That is true; and I did not promise to abide by the caucus in any respect unless it met my approval.

Mr. STONE. Was the Senator pledged to the people to vote against free wool or any other item in the wool schedule?

Mr. RANSDELL. I made no pledge in regard to wool to my people.

Mr. STONE. Then the Senator is acting on his own motion at this late hour?

Mr. RANSDELL. I said to the conference that I would vote on the schedules of this bill as I saw fit; that I could not approve the bill as a whole; that I would favor it in every particular that I could; and that, as I conceived there had been discrimination against some of the products of the farm, I reserved my right to vote not only on sugar but on other schedules—and I have voted several times—against the Democratic side of the Senate in the discussion of this bill.

SECTIONAL DISCRIMINATION.

Mr. President, I have stated that I thought there had been unfair discrimination against sugar and wool. I want to ask careful attention of the committee to a table I have prepared here, which, to my mind, shows some other discriminations in the bill.

Total value of annual products and duties (protection) thereon of all States represented by Democratic Members on the Finance Committee as compared with Louisiana.

[The data given below relating to manufactures and agricultural products are compiled from the last (Thirteenth) census, covering the year 1909, the latest available figures. The data relating to minerals are taken from Mineral Products of the United States, issued by the Geological Survey, and cover the year 1911. The census does not deal with minerals in full; hence the necessity for two sources of information.]

	New Jersey.	Missouri.	Kentucky.	Indiana.	North Carolina.	Georgia.	Maine.	Colorado.	Oklahoma.	Mississippi.	Louisiana.
Value of manufactures (last census, 1909)	$1,145,529,000	$574,111,000	$223,754,000	$579,075,000	$216,656,000	$202,863,000	$176,029,000	$130,044,000	$53,682,000	$80,555,000	$223,949,000
Amount of duty on same under proposed rates	171,430,854	74,956,141	87,121,485	84,041,320	77,054,891	20,774,871	16,210,330	2,241,462	1,463,067	1,605,450	8,751,975
Value of agricultural products (1909)	81,486,519	480,794,096	240,065,837	324,450,550	174,278,611	263,713,786	79,944,539	125,511,941	269,688,621	201,814,398	111,198,436
Amount of duty on same under proposed rates	6,735,687	34,302,788	11,903,988	24,902,693	7,408,684	9,008,177	7,803,461	10,245,153	15,589,791	7,511,816	4,326,984
Value of mineral products (1911, Geological Survey)	27,559,246	52,636,348	18,910,731	37,430,187	2,797,155	6,171,367	4,645,630	51,958,239	42,678,446	1,052,842	12,710,953
Amount of duty on same	3,169,804	7,240,002	716,342	2,252,531	472,273	977,695	886,448	1,718,087	504,882	130,895	79,792
Total value of products	1,254,574,765	1,107,541,444	482,730,568	940,955,737	393,731,766	472,748,153	260,619,169	307,514,180	366,049,067	283,422,240	347,863,444
Total duties on same	181,336,345	116,498,931	99,741,815	111,201,544	84,935,848	30,760,743	24,900,239	14,204,702	17,557,740	9,248,161	13,158,751

New Jersey, 3.6 times value of products; 13.8 times duties. Missouri, 3.2 times value of products; 8.79 times duties. Kentucky, 1.3 times value of products; 7.5 times duties. Indiana, 2.7 times value of products; 8.4 times duties. North Carolina, 1.13 times value of products; 6.45 times duties. Georgia, 1.3 times value of products; 2.3 times duties. Maine, 0.7 times value of products; 1.8 times duties. Colorado, 0.9 times value of products; 1.8 times duties. Oklahoma, 1.08 times value of products; 1.3 times duties. Mississippi, 0.8 times value of products; 0.7 times duties.

I find that in the State of New Jersey there is a total of manufactures and agricultural and mineral products amounting to $1,254,000,000, with a total duty on these articles of $181,336,000, if every one of them were imported into this country and if the rates under this bill were put thereon; the State is, therefore, incidentally protected to this imposing amount.

In the State of Missouri I find $1,107,000,000 of manufactures and agricultural and mineral products. I refer to manufactures as shown by the last census, agricultural products under the same census, and mineral products from the report of the Geological Survey for 1912. The total duties on all of those aggregate products if the articles were imported into

this country and the full proposed rate of duty thereon paid would be $116,498,000—incidental but quite effective protection.

In Kentucky the total is $482,000,000 and the duty $99,000,000—I will give the figures in round numbers; in Indiana the total is $940,000,000, the duty $111,000,000; in North Carolina the articles amount to $393,000,000, the duty to $81,000,000; in Georgia, $472,000,000, the duty $30,000,000; in Maine, $260,000,000, the duty $24,000,000; in Colorado, $307,000,000, the duty $14,000,000; in Oklahoma, $366,000,000, and the duty $17,000,000; in Mississippi, $283,000,000, the duty $9,000,000; in Louisiana, $347,000,000, the duty $13,000,000. I hope, Senators, you are carrying these figures in your minds, so that you can see the discrepancy.

I find that the manufactures of New Jersey amount to $1,145,000,000 and the duty thereon to $171,000,000. Let us compare it with the Louisiana manufactures, amounting to $223,000,000 and the duty to $8,700,000. New Jersey is only three and six-tenths times as productive in its annual manufactures, agriculture, and mining as is Louisiana, but the duty is thirteen and eight-tenths times as much.

In Kentucky the manufactures are $223,754,000, with a duty of what? A duty of $87,000,000. Louisiana has manufactured products of $223,949,000, a little more than $200,000 in excess of Kentucky, but in Louisiana the duty is only $8,751,000—but one-tenth of the protection on the Louisiana products that there is on the Kentucky products of manufacture. On the Kentucky agricultural products, amounting to $240,000,000, the duty is $11,000,000. In Louisiana the agricultural products are $111,000,000 and the duty $4,000,000. So you see that the great Commonwealth of Kentucky seems to be much more favored than Louisiana even as to agricultural products.

In minerals Kentucky is credited with $18,910,000 and a protective duty amounting to $716,000, while Louisiana has $12,110,000, with a protection of only $79,000. So the same proportion keeps up. Kentucky favored ten times as much, through incidental protection, in the matter of manufactures and minerals as the State of Louisiana.

How about the Old North State—North Carolina? Her manufacturers amount to $216,000,000, with a protective duty of $77,054,000, as against Louisiana's protection of $8,751,000, or more than nine times the protection on the North Carolina products that is accorded to the Louisiana products.

Of course, when I speak of Louisiana products I am treating sugar, now one of the greatest, as on the free list. The calculation is made with the idea that sugar is on the free list, as it goes there shortly—less than three years from the present time.

How does Mississippi fare in this bill? Why, she does not get quite as good treatment as does Louisiana. Mississippi's total is $283,000,000, with a protection of $9,248,000, as against the Louisiana total of $347,000,000 with a protection of $13,000,000. Mississippi is a great agricultural State, as is Louisiana.

Oklahoma does not receive very much protection in this bill. The total value of its products—agricultural, manufacturing, and mineral—is $366,000,000, and all it gets is $17,557,000 in the way of protection.

How is it with the State which many of its citizens love to call the Empire State of the South—old Georgia? It has $472,000,000 in the total value of its manufactures, its agriculture, and its minerals, with a protection of only $30,000,000.

Mr. President, I shall not take longer the time of the Senate to read this table, but I shall publish it with my speech, and I ask every Member of the Senate to consider that table carefully; and if he does consider it carefully, he will see that the manufacturing States are receiving much greater solicitude and care, inadvertently or in some way, I know not how, than are the purely agricultural States.

I shall also publish tables showing the great advantage given to the manufacturing States over the agricultural States. (Appendices A and B.)

FARM PRODUCTS ENTITLED TO FAIR TREATMENT.

Would it not have been wise to give agriculture the same kind of incidental protection by placing wool and sugar under as fair a degree of duty as we are meting out to the manufacturing States?

Why, let me repeat, were these great products of the farm singled out for slaughter while manufactures under this bill were taken such good care of by an average, if I mistake not, of about 29.4 per cent on cotton manufactures, an average on woolen manufactures of 37.23 per cent, and an average on steel and metals of 18.38 per cent? We have been particular for the manufacturing interests in this bill, but, I repeat, sir, we have not given the same degree of solicitude to the products of the farm.

COMPELLED TO OPPOSE BILL.

Mr. President, I have already spoken longer than I had intended. This is to me one of the saddest moments of my life. I little thought when the Baltimore platform was adopted and the campaign of 1912 was being conducted that I would be compelled to oppose my party in this the first great piece of constructive legislation which the Democrats have been enabled to enact in more than 16 years. For the past 14 years I was a Member of the House of Representatives, and I have a record for party loyalty and fealty which, in my judgment, does not suffer in comparison with that of any Senator in this Chamber; and I regret keenly the position in which I am placed with regard to this measure. I would not oppose it if not impelled so to do by a stern sense of duty, but I do not consider this bill framed along lines equitable and just to every portion of this Republic; especially is it not framed along lines fair and equitable and just to the State I have the honor in part to represent.

SUGAR AN ISSUE IN LOUISIANA CAMPAIGN.

Furthermore, Mr. President, as I have stated in the caucus of my party, when I was a candidate for the United States Senate against my predecessor, the Hon. Murphy J. Foster, the issue of a duty on sugar appeared in that campaign. I am a resident of extreme northeastern Louisiana, in the cotton section; there is not a pound of sugar raised within 150 miles of my home. Senator Foster was a resident of the sugar section, in the very heart of the sugar belt. He had been an eager and strong champion of legislation in behalf and for the benefit of sugar whenever there was any attempt to injure that great commodity. Southern Louisiana, where Senator Foster resided, has a much larger white population than has my portion of the State. It was thrown in my teeth and I was taunted with the charge that if elected to the Senate and there should be any attempt at adverse legislation I would not be true to the interests of sugar; that I would stand for cotton and not for sugar. I replied then, as I had stated in my opening speech made in north Louisiana—and I talked in the same way in every part of the State—that if elected to the Senate I would do everything a human being could do—that is, everything that one of my limited ability could do—to prevent the destruction of the great sugar industry.

But, said I, "Gentlemen, there is not the slightest danger that the Democratic Party, with its past record of 125 years of a revenue duty on sugar, will now change that policy and attempt to place sugar on the free list. If the party wins, as I hope and believe it will, sugar must stand a pro rata reduction along with other articles in the tariff bill, but there is not the least danger of it being placed upon the free list."

I believed that as sincerely as I ever believed any statement in my life. I was honest in making the statement. I had a right to believe my party would never attempt to place sugar on the free list. And having made that statement, not once, but time and again, during that campaign, and having received a great many votes from all portions of southern Louisiana on the faith of my promise to do everything possible for sugar, and feeling and believing, as I do, that the passage of this bill in its present form means the absolute destruction of that industry—believing the statement made by the distinguished Senator from Mississippi [Mr. WILLIAMS] that free sugar will dismantle every sugar factory within the State of Louisiana—I can not, as a man of my word, vote for this bill if it contains, when it comes to the final vote, the present sugar provisions.

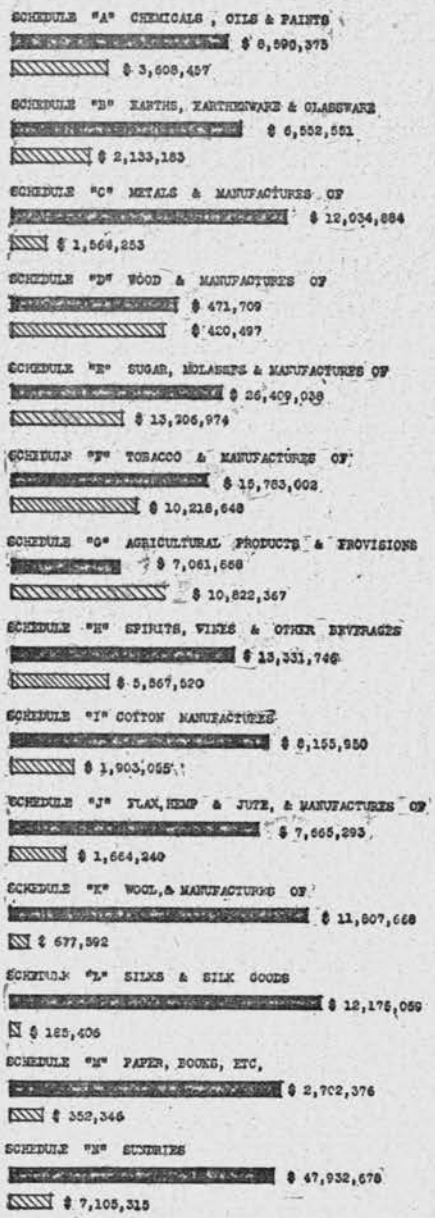
COOPERATED WITH PARTY TO PERFECT MEASURE.

I am sorry to be obliged to take this step. I have hoped against hope; I have been with my party associates in the caucus, aiding as best I could to perfect the bill. In its consideration here I have voted 75 times with my Democratic colleagues and only 8 times against them. Of these 8 votes 1 was to place a small duty on hemp, another for a duty on potatoes, 3 for a duty on wheat, 2 for a Democratic duty on sugar and maple sugar, and 1 to prevent a duty from being imposed on bananas, which are now admitted free. All the time I have hoped that the bill might finally be so amended that I could give it my support, and I sincerely regret that I can not do it.

In conclusion, Mr. President, without claiming the gift of prophecy, I say unhesitatingly that, in my judgment, before the three years have rolled around which will place sugar upon the free list, dismantle the factories of Louisiana, condemn thousands of people there who are now in easy circumstances to poverty and distress, and bring ruin upon a great many engaged in sugar production in our Western States, Hawaii, and Porto Rico, the Democratic Party will hear from the people of this Nation in no uncertain tones.

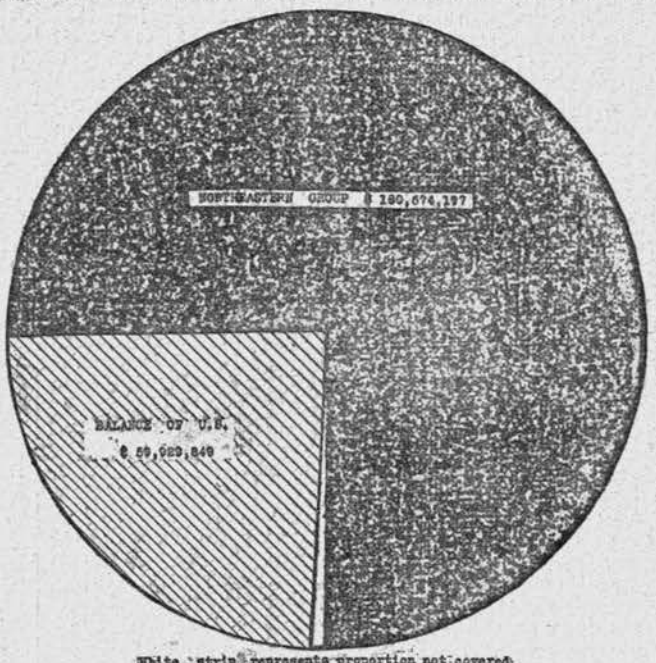
APPENDIX "A," SHOWING THE RELATIVE AMOUNT OF BENEFIT DERIVED BY THE AGRICULTURAL AND MANUFACTURING SECTIONS OF THE UNITED STATES FROM THE IMPORT DUTIES UNDER THE BILL AS REPORTED TO THE SENATE.

RELATIVE AMOUNT OF DUTY ENJOYED BY THE TWO GROUPS OF STATES UNDER EACH SCHEDULE.

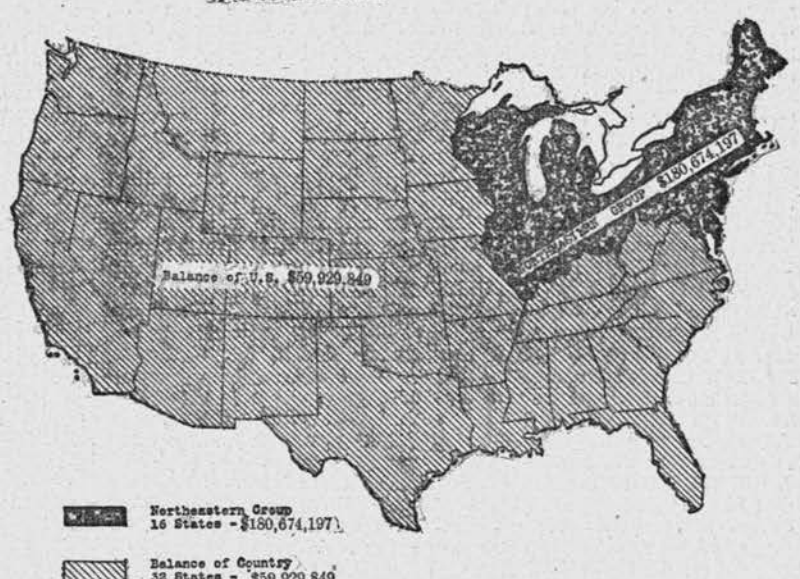


In Schedules C, I, and K a small fractional percentage, almost negligible, was not shown in the compilation of the Census Bureau because of the regulations governing the publication of census returns.

Under Schedule G, covering "Agricultural products and foodstuffs," $3,990,000 of the aggregate proposed to be raised is levied upon products—principally tropical fruits and seed—which are not grown in either section. This amount is carried in the 'Not segregated" column of the table shown in Appendix B.



White strip represents proportion not covered by Census calculation.



The Underwood bill, as amended by the Finance Committee and reported to the Senate, was intended to raise $247,780,723 from import duties.

In the accompanying chart the benefit or protection derived from the bill by the agricultural and manufacturing sections of the United States is shown in striking fashion.

The chart and diagrams are based upon figures furnished by the Census Bureau. They indicate the relative importance of the industries that are to be benefited in the two sections and the amount of incidental protection they will receive from each of the schedules carried in the bill.

That section of the United States lying east of the Mississippi River and north of the Potomac and Ohio Rivers, in which the manufacturing industries of the country predominate, receives $180,674,000 of the $247,780,000 provided for in the bill.

The vast section south of the Potomac and Ohio Rivers and west of the Mississippi, stretching from the Atlantic to the Pacific Oceans, and which is devoted principally to agriculture, receives $59,929,849.

And yet the vast agricultural section, which is to receive only a quarter of the benefits derived from the import duties to be raised, contains just twice as many States and maintains a larger population.

The benefits carried by the bill are as a matter of fact even more restricted than is indicated by the chart and diagrams. The Bulletin on Manufactures for the last census says on page 10: "The three Middle Atlantic States, New York, New Jersey, and Pennsylvania, together, reported more than one-third of the total value of manufactured products of the country."

APPENDIX B.

Showing the advantage given the manufacturing States over the agricultural States. Also the amount intended to be raised under each schedule that is not charged to either section.

State groups.

Schedule.	Dutiable list.	Entire United States.	North-eastern group.	Per cent.	Balance of the United States.	Per cent.	Not segregated.	Per cent.
A	Chemicals, oils, and paints	$12,486,011	$8,590,375	68.8	$3,608,457	28.9	$287,178	2.3
B	Earths, earthenware, and glassware	9,000,757	6,552,551	72.8	2,133,179	23.7	315,027	3.5
C	Metals, and manufactures of	14,092,370	12,034,884	85.4	1,564,253	11.1	479,140	3.4
D	Wood, and manufactures of	898,495	471,709	52.5	420,497	46.8	6,289	.7
E	Sugar, molasses, and manufactures of	40,196,405	26,409,038	65.7	13,706,974	34.1	80,393	.2
F	Tobacco, and manufactures of	26,001,650	15,783,002	60.7	10,218,648	39.3		
G	Agricultural products and provisions	21,863,368	7,061,868	32.3	10,822,367	49.5	3,979,133	18.2
H	Spirits, wines, and other beverages	18,937,140	13,331,746	70.4	5,567,520	29.4	37,874	.2
I	Cotton manufactures	10,069,075	8,155,950	81.0	1,903,055	18.9	20,138	.2
J	Flax, hemp, jute, and manufactures of	9,789,646	7,665,293	78.3	1,664,240	17.0	460,113	4.7
K	Wool, and manufactures of	12,548,000	11,897,668	94.8	677,592	5.4	50,192	.4
L	Silks and silk goods	12,360,465	12,175,059	98.5	185,406	1.5		
M	Papers and books	3,145,955	2,702,376	85.9	352,346	11.2	91,233	2.9
N	Sundries	56,391,386	47,932,678	85.0	7,105,315	12.6	1,353,393	2.4
	Total	247,780,723	180,674,197		59,929,849		7,160,103	

Mr. JAMES. Mr. President, the speech made by the Senator from Louisiana [Mr. RANSDELL] in a great many respects is but a reiteration of a speech made by him two months ago. He explained to us then that he was making the race for Senator against Senator Foster, who was a devoted friend of sugar; that he lived in the cotton part of the State; and that he outsugared Foster before the people of Louisiana. He told them he was devoted to sugar; that never so long as he stood on this floor would he vote to place sugar on the free list. But I am somewhat surprised to find now that my friend is not only leaving his party on one issue, but that he is also leaving it on many issues and is making haste to get into the ranks of the Republican Party, because he has joined them upon the question of opposition to free wool.

Now, the Senator tells us that $4 per family is all that it will cost the people to have a tax upon sugar. This I deny. It will cost $7 per family per year. But suppose it only cost $4. Is that any justification for it? Can any man rise in the Senate of the United States or in the House of Representatives and say that "I want to take only a little from each consumer of the United States" and justify a wrong upon the theory that he only takes a little? The question is, Are you entitled to take it at all? You can not justify it upon the ground that you do not take all that a man has. The trouble in this land that pinches the consumer is that the Meat Trust wants to take just a little, the Wool Trust wants to take just a little, the Sugar Trust wants to take just a little, the Steel Trust wants to take just a little, and after all the trusts have taken just a little they have got all the consumer has. [Manifestations of applause in the galleries.]

The Senator tells us that in 1789 there was laid upon sugar a tax of a cent and a half a pound, and from that time on it has varied throughout all the years from a cent and a half to 3 cents, and that because the favor of the Government has been showered upon the sugar producers of Louisiana and other States for 125 years it must not be taken away from them. That is the old protection argument. When the industries were first protected it was said, "Do not take their protection away from them, because they are too young"; and now, after you have had it for 125 years, you say, "Do not take our pap from us, because we are too old." [Laughter.]

For 125 years they have had their hands in the pockets of the American consumer, taking just a little; that is all. Just a little from each of 20,000,000 breakfast tables; just 2 cents upon each pound of sugar that the poor man carried home; that was all. "But it is just a little, and therefore you ought not to stop us from petty pilfering." [Laughter.] It has mounted into millions, but they got just a little at the time.

For 125 years you have struggled. The favor of the Government has been given to you, and what do you tell us now? That if we take this taxing power of the Government from you, which is no natural right of the Louisiana cane-sugar producers, it will confiscate your property.

How many millions of dollars of the American consumer have you confiscated in 125 years—a confiscation that reached into the cabins and cottages of the poor, a confiscation that touched the tables of the humble? And yet, because we want to take from you the favor that was not yours by right, you say you have a vested right of taxation.

Wrong never did have and wrong never will have a vested right in this Republic. Confiscation of your property! How much money is invested in the production of cane sugar in that State? I have here a statement issued by those interested in Louisiana, protesting against this law, and they say $100,000,000 is the amount invested. How much of it is in land? Seventy million dollars. Will it confiscate the land? No; it will be as fertile after sugar is placed upon the free list as before. It will yield to the touch of the laborer in every other use to which it may be put, as much so as the blue-grass fields of Kentucky. It is the most fertile land in the world. It will grow cotton, it will grow corn, it will grow any other product that the soil of my own State will produce. The land will be left, even according to the Senator's argument.

They tell us that $10,000,000 is invested in mules. Placing sugar upon the free list will not kill the mules; they will be left. [Laughter.] Seventy millions in land and ten millions in mules leaves twenty millions in your factories and in your plantation railroads. You say it will destroy them. For the purpose of the argument, I am willing to concede your premise. How much do you ask to have the American people taxed each year rather than confiscate twenty millions of factories and of plantation railroads? You ask that they shall be taxed to the extent of $140,000,000 a year.

Since the Dingley bill was passed the amount of sugar taxes collected has been two thousand millions of dollars. Eight hundred millions of it went into the Treasury, and twelve hundred millions of it went into the coffers of the sugar monopoly. One hundred and forty-two million dollars a year is what it costs. Twenty million dollars is the amount, the Senator says, invested in sugar factories and in plantation railroads.

Mr. RANSDELL. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Louisiana?

Mr. JAMES. I yield to the Senator.

Mr. RANSDELL. Will the Senator kindly tell us how he gets those figures—$142,000,000?

Mr. JAMES. Oh, it is well known to everybody how the amount of $142,000,000 is arrived at. Everybody knows that the amount of sugar consumed in this country per capita is practically 80 pounds, and everybody knows that the amount of revenue derived is about $52,000,000, and everybody knows that the $1.90 per hundred pounds is the protective rate—which is the amount that is collected upon the refined sugar by the sugar monopoly—is placed in their pockets. That is the amount collected upon the amount of sugar that they themselves manufacture and sell to the consumer here. That makes the $142,000,000.

Mr. RANSDELL. Will not the Senator admit that the real protective rate of duty on sugar is 1.34 cents a pound paid to Cuba?

Mr. JAMES. Ah, Mr. President, that is too transparent for the Senator to ask me, for the Senator knows as well as I do that that is the protection against raw sugar. But what is the protection against refined sugar? There is no refined sugar imported here.

Mr. RANSDELL. We do not import any refined sugar.

Mr. JAMES. Ah, certainly not. We imported into this country last year only 2,000 pounds of refined sugar. Consequently after the Sugar Refining Trust in this country have the raw sugar at 1.34 cents per pound and have refined it they raise the price to 1.90 cents per pound, the amount of the pro-

tection upon refined sugar. They have that protection against refined sugar that comes from the countries of the world in competition with them.

Mr. RANSDELL. Mr. President, I want the Senator to state distinctly now, so that I can understand him, whether he differs from all of those students of the subject who say that as we import our sugar from Cuba and, the real rates of duty on sugar from Cuba is 1.34, the protection is 1.34.

Mr. JAMES. I will answer the Senator, if he will kindly permit me to proceed. I am perfectly willing to answer any and all questions that he may desire to propound, but I do not desire to delay the Senate unnecessarily. There has been made here speech after speech against free sugar, and I have not up to this time undertaken to reply. The Senator from Louisiana has made four speeches. I will say to the Senator that my position is this: There is no refined sugar imported into this country. The raw sugar comes from Cuba at 1.34, as he says; but the imported refined sugar has to pay 1.90 to get into our markets against the Sugar Trust, which refines the sugar and controls the market, so the amount of protection given the Sugar Trust is the amount placed upon refined sugar, which is 1.90 per pound. The Senator will not deny that sugar is controlled by a trust. If he did, the Senate would not reckon his denial as accurate.

Mr. RANSDELL. What about the beet-sugar production of 700,000 tons?

Mr. JAMES. Ah, the Senator can ask me "What about beet sugar?" but the Senator knows as well as I do that a committee of the House of Representatives, composed of Republicans and Democrats, found that sugar in this country was controlled by a trust. But let us proceed.

Mr. President, as the Senator from Arkansas [Mr. CLARKE] said in the Democratic conference, sugar production in Louisiana has been civilized out of existence. Unless you will do away with your antiquated machinery, unless you will supplant with modern machinery for sugar manufacture those old, open-kettle mills, you can not hope to compete with the world. Sugar is produced in Cuba for 2 cents a pound. It is produced in Java for a cent and a half a pound. It is produced in Hawaii for about 2 cents per pound. It is produced in Porto Rico at about the same figure. How much does it cost in Louisiana? It costs 3¾ cents a pound to produce it. Why? Because the sucrose matter of the sugar cane of Louisiana is but 6 or 7 per cent, while the sucrose matter of the sugar cane of Cuba is from 11 to 14 per cent. What you want is a tariff that will make the sucrose matter of your sugar cane, which is only 6 or 7 per cent, bring as much as the sucrose matter of the sugar cane of Cuba brings, which is from 11 to 14 per cent. What the Senator from Louisiana wants is not a tariff that will equalize the cost of production but one that will equalize the amount of the sucrose matter in the cane of Louisiana with that of the cane of Cuba. And why does that difference exist? In Cuba the cane has to be planted only once in every 10 years.

In Louisiana it has to be planted once in every year. Why? They have to cut the cane early in Louisiana, because they fear the frost. They do not have to do that in Cuba. What the Senator desires is that we shall write upon the statute book of this land a tax which shall be paid by the people who consume sugar, so as to make sugar-cane growing as profitable in a temperate climate as it is in a tropical climate. Nature itself has decreed, and its decree is beyond the effect of all law, that sugar is more easily and cheaply produced in tropical climates than in temperate climates. I am unwilling to deny the sugar-consuming millions of America the natural advantages that God gave to the soil of the world in the cheapness in the production of sugar. God Himself made Cuba, as he made Louisiana. He made Cuba a tropical climate, where the production of sugar is indigenous to its soil. The production of sugar in Louisiana is not indigenous to the soil to the same extent that it is in Cuba. That is the trouble with Louisiana. They have to cut their cane early for fear of the frost. In Cuba it is allowed to stand, and the sugar content in the cane is greater. I am unwilling, Mr. President, to make the sugar consumers of my country pay a protective tariff on sugar that is produced in a tropical climate as it comes in competition with sugar produced in a temperate climate.

But let us see further. My friend spoke of Thomas Jefferson. He spoke of him kindly. I am glad to hear that whatever may have been the waywardness of my friend from the highway of the old party of Democracy, he still has a hankering after Thomas Jefferson. [Laughter.] He tells us that Jefferson would have said practically that a tariff upon sugar was a proper tariff. Mr. President, I only know what Jefferson would have said by what he has said, and here is what he did say:

> Taxes upon consumption, like those upon capital or income, to be just must be uniform. I do not mean to say that it may not be for the general interest to foster for a while certain infant manufactures until they are strong enough to stand against foreign rivals, but when evident that they will never be so, it is against right to make the other branches of industry support them.

Mr. President, Thomas Jefferson said it would be against right to make the other branches of industries support them. When? When it had been demonstrated that they would not be able to stand alone. In God's name, how long would Jefferson have said it would be necessary to have demonstrated that to him? One hundred and twenty-five years? Certainly that is long enough. That is the length of time you have had a tariff upon sugar.

But he proceeded:

> When it was found that France could not make sugar under 6 h. a pound, was it not tyranny to restrain her citizens from importing at 1 h.? Or would it not have been so to have laid a duty of 5 h. on the imported?

Suppose I had paraphrased that.

> When it was found that Louisiana could not make sugar under 3¾ cents per pound, was it not tyranny to restrain her citizens from importing it at 2 cents per pound; or would it not have been so to have laid a duty of 2 cents per pound upon the imported?

There is the language of Thomas Jefferson himself upon the question of sugar.

The Senator spoke of McKinley. McKinley was a great President. He wrought well for his country in every position to which he was called. But I desire to call my friend's attention to the fact that President McKinley, too, said something upon sugar. Here is what he said in a speech in the House of Representatives:

> Last year we paid $55,000,000 out of our pockets to protect whom? To protect the men in the United States who were producing just one-eighth of the amount of the consumption of our sugar. Now we wipe this out, and it will cost us to pay the bounty $7,000,000 every 12 months, which furnishes the same protection at a very much less cost to the consumers. So we save $48,000,000 every year and leave this in the pockets of the people. Sir, when we lift from the American people the vast sum of $48,000,000 of taxes, they can put up every 12 months 48,000 houses, costing $1,000 apiece.

So, in the language of the lamented and departed McKinley, I say to-night that we want to lift from the backs of the consumers of America not $55,000,000, but $140,000,000, and that vast sum saved to them will give them an opportunity to erect 140,000 houses that cost $1,000 each.

But, our friend says, this is a revenue duty. How much revenue do you derive from it? You do not derive any revenue from the sugar produced in this country. Practically one-half of the sugar consumed in the United States by our people is produced in continental United States and in our insular possessions. Not quite one-fourth of the sugar consumed by our people is produced here. Notwithstanding 125 years of protection, notwithstanding 125 years of aid to the infant industry, not quite one-fourth of the sugar consumed by our people is produced here. A little more than one-fourth is produced in Porto Rico and Hawaii and the other half is imported from Cuba.

The sugar that we produce here, in Porto Rica, and in Hawaii does not pay a dollar of tax into the Federal Treasury. Only the sugar that comes from Cuba or from the other countries of the world pays any tariff.

Who gets the tariff from the sugar produced in continental United States and Hawaii and Porto Rico? The Sugar Trust gets it. You talk about its being a revenue measure. It is not even a 50 per cent revenue measure. A real revenue tax on sugar would be a consumption tax. But you dare not impose that, because all of the money paid would go to the people's Treasury, and as it is now $90,000,000 of it goes into the pockets of the Sugar Trust and $52,000,000 of it goes into the Federal Treasury every year.

Mr. RANSDELL. Mr. President, may I ask the Senator a question?

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Louisiana?

Mr. JAMES. Certainly.

Mr. RANSDELL. My friend seems to be troubled about the trust. I want to know, if he can tell me—I have never gotten a satisfactory answer to it—why it is that the trust is so anxious to have sugar on the free list?

Mr. JAMES. Oh, I hope the Senator will not undertake to deflect my argument from the one I am now making.

Mr. RANSDELL. I withdraw the question if it embarrasses the Senator.

Mr. JAMES. No; the Senator need not withdraw it. The Senator propounded that question to me the last time I spoke upon this question, and I answered it, I thought, to the entire satisfaction of the distinguished Senator.

You tell us the sugar refiners are a trust. If they are, why do you want to give them 1.90 cents per pound protection against the consumers of the United States?

Mr. RANSDELL. I want to make competition.

Mr. JAMES. Ah, you want to make competition. You want to give to the sugar refiners in the United States 1.90 protection against the other sugar refiners of the world. I want to open the markets of the United States and let sugar, whether it is refined in Germany, in Java, in Cuba, or in any other part of the world, come in here free of tax. You want $1.90 protection per hundred pounds of refined sugar raised up in front of the Sugar Refining Trust of the United States.

But, Mr. President, the Senator told us that we would have cheaper sugar for two or three years. It is really refreshing to know that we would have cheaper sugar even for two or three years. They always argued that if you placed sugar on the free list the awful Sugar Trust, which does not exist in the world, will do what? Will immediately monopolize the sugar production and the sugar sale of the world and raise the price of sugar upon our consumers; that with all the different countries of the earth, speaking different languages, differing in habits, in religion, and in government, each one of them with an ambition to conquer the other one in the marts of trade, each one struggling against the others for the commerce of the world, the Senator tells us they will immediately monopolize the price of sugar, which they have never done and have never undertaken to do, just as quickly as we allow them to have 100,000,000 more consumers.

Mr. President, the very idea! When sugar all these years in the markets of the world has been unmonopolized, to say that because we give them 100,000,000 more consumers they will do what they never have done, and what they have never undertaken to do, to monopolize the price of the world's market, is preposterous. Why is it that during all the centuries of the past they have never undertaken to monopolize the world's production and sale of sugar? Why is it they should wait all these years to monopolize the world's production and sale of sugar?

But I have, as against your prophecy and against your prediction and against your conjecture, a Sugar Trust in the United States within the protected boundary found guilty by a committee of Congress, composed of both Democrats and Republicans. It was a unanimous report agreed to by all the members of the committee. So my statement as to a Sugar Trust existing in the United States is not a prophecy, but a reality. The trust that I am undertaking to deal with is one that does exist, against your trust about which you prophesy, about which you predict, about which you conjecture and that never has had, and it is impossible for it to have, an existence.

But the Senator from Louisiana [Mr. RANSDELL] tells us about beet sugar. He tells us that beet sugar will still continue, he believes. Mr. President, I want to read to the Senate the evidence taken by the Hardwick sugar investigating committee on the amount of profit made by sugar-beet farmers.

How much is the profit that we make upon corn and upon wheat? I have the report here from the Crop Reporter of June, 1911, published by the authority of the Secretary of Agriculture of the United States, on page 47, which is as follows:

The estimates of cost of producing oats in 1909 given in this number of the Crop Reporter are the results of the tabulation of about 5,000 reports from correspondents of the Bureau of Statistics. A similar statement in regard to cost of producing corn was published in the April Crop Reporter and wheat in the May Crop Reporter.

The schedule of inquiry called for the following information: Cost per acre of (1) commercial fertilizer, (2) preparing ground for seed, (3) seed, (4) planting, (5) gathering or harvesting, (6) preparing for market, (7) wear and tear on implements, (8) rent of land or interest on its value, (9) other items of cost, (10) total cost, (11) average yield of product per acre, (12) value per bushel, (13) value of crop per acre (not including by-products), (14) value of by-products, (15) average size of fields (acres), (16) average value per acre of land growing the crop reported upon.

The following note accompanied the schedule of inquiry: "The cost of labor and teams, whether owned or hired, should be estimated upon the basis of the prevailing rate of wages paid, whether the actual work is done by owner or hired labor. Under cost of preparing ground for seed include cost of applying manure, if any. Under cost of cultivation include all costs from the time the crop has been planted until it is ready to harvest. Include in cost of thrashing or preparing for market all costs from time crop has been gathered from fields until it is ready for use or market. Let estimates be for your own or any typical farm in your vicinity. Add such remarks as will help to explain any figures given."

A summary of the principal items for wheat, corn, and oats is as follows:

Item.	Wheat.	Corn.	Oats.
Cost per acre, excluding item of rent.....dollars..	7.85	8.52	7.13
Cost per acre, including item of rent.....do....	11.15	12.27	10.91
Value of grain, per bushel.....do....	.96	.62	.40
Value of grain, per acre.....do....	16.48	20.09	14.08
Cost per bushel, excluding item of rent.....do....	.46	.26	.20
Cost per bushel, including item of rent.....do....	.66	.38	.31
Value less cost per acre, excluding rent.....do....	8.75	11.57	6.95
Value less cost per acre, including rent.....do....	5.44	7.82	3.17
Value less cost per bushel, excluding rent.....do....	.50	.36	.20
Value less cost per bushel, including rent.....do....	.31	.24	.09
Excess of value over cost, excluding rent.....per cent..	116	136	97
Excess of value over cost, including rent.....do....	50	64	29
Average size of fields.....acres..	59.6	30.2	25.5
Value per acre of land.....dollars..	54.59	59.46	70.48
Percentage of rental to land value.....per cent..	6.3	6.3	5.4

which shows that the farmer who grows corn made a net profit per acre in 1909 of $7.82, that the farmer who grows wheat made a net profit per acre of $5.44, that the farmer who grows oats made a net profit of $3.17 per acre. Another issue of same reporter shows that the farmer who grows cotton made a net profit of only $6 per acre. How much do you suppose the profit of the sugar-beet farmer was? I have the testimony here taken before the Hardwick committee. I hold it in my hand now. Fourteen of the first twenty-odd witnesses who testified show that the sugar-beet grower made an average net profit per acre of $43 upon his production of beets. Yet the farmer who grows cotton in the South makes only $6 as a net profit per acre. The farmer who toils in the wheat fields of the West and South only makes a net profit of $5.44 per acre. The farmer who toils in the cornfields of the land makes only a net profit of $7.44 per acre——

Mr. BRISTOW. Mr. President——

Mr. JAMES. They toil in the heat of the summer, and yet he wants to tax them in order to give a profit to the sugar-beet grower, who makes five times as much per acre as they do.

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Kansas?

Mr. JAMES. I yield.

Mr. BRISTOW. May I inquire of the Senator how much per acre the grower of tobacco makes on his crop?

Mr. JAMES. I thought you would bring in tobacco. Yes; I can tell the Senator. The farmers in Kentucky in the last 10 years have not made $10 net profit per acre for their tobacco, and in many of the disastrous years when the Tobacco Trust controlled our market there they never made a dollar net profit upon their tobacco. I hope that is satisfactory to the Senator. [Laughter.]

Mr. BRISTOW. The Senator in this bill is giving a duty of about 169 per cent on tobacco; is he not?

Mr. JAMES. Mr. President, that was argued out. I discussed that with the Senator. There is no protection to Kentucky tobacco. There is an internal-revenue tax that is levied upon tobacco in Kentucky, which is a burden to our industry. Make our tobacco free of your internal-revenue taxes and take the tariff off the foreign product and we will compete gladly with all the world.

Mr. BRISTOW. The Senator has the opportunity to do it in this bill, for he is one of the Senators who is making it.

Mr. JAMES. Yes; and, Mr. President, the reasons why the internal-revenue tax is not taken off tobacco is because it helps to put into the Treasury of this country millions of dollars from Kentucky and other States. It is a luxury and not a necessity. The Democratic Party believes that luxuries should be taxed and as nearly as possible necessities left free.

Mr. BRISTOW. Why does not the Senator collect all the taxes as internal revenue instead of putting 169 per cent on the customs tax?

Mr. JAMES. O Mr. President, if the Senator from Kansas knew anything at all about tobacco, he would not ask that.

Mr. BRISTOW. The Senator from Kansas knows as much about tobacco as the Senator from Kentucky knows about sugar. [Laughter in the galleries.]

Mr. JAMES. Yes; the truth of it is, Mr. President, the Senator from Kansas was born in Kentucky, but he was not born in that part of it where they grow tobacco. The Senator would not ask me if he knew anything at all about tobacco why we put a tariff tax upon the importation of tobacco when we have an internal-revenue tax upon the home tobacco.

Would the Senator have us take off the tariff tax upon foreign tobacco and let the domestic tobacco pay the internal-revenue tax while the foreign tobacco would pay no tax at all?

Mr. BRISTOW. It is just as easy to make the foreign tobacco pay an internal tax as the domestic tobacco.

Mr. JAMES. That is all it does.

Mr. BRISTOW. If the Senator sees fit to do it.

Mr. JAMES. That is all it does pay under this bill. The tariff that is laid upon tobacco is laid upon it to equalize it with the internal-revenue tax placed upon the domestic product and nothing more.

Mr. BRISTOW. But it is put upon——

Mr. JAMES. If the Senator means to talk about Kentucky tobacco, practically all our tobacco is sold upon the markets of the world; but the Senator can not get me to consume all my time on the tobacco question. It is not half so sweet as sugar. [Laughter in the galleries.]

Mr. BRISTOW. Ah, Mr. President, the Senator from Kansas well knows that the farmer does not pay a cent of internal revenue tax on tobacco. That is paid by the dealers in tobacco.

Mr. JAMES. Of course the Senator knows that every tax you lay upon any product when it is an internal revenue tax is ultimately paid by the man who produces it.

Mr. BRISTOW. The Senator knows that when he imposes a customs tax on imported tobacco he is protecting the tobacco grower of Kentucky.

Mr. JAMES. Mr. President, I have answered that. I have said to the Senator that the tariff tax placed on tobacco is merely to equalize it with the internal-revenue tax paid on our home products, and we levy the tax upon our home products, as we levy a tax on the imported article, because tobacco is a luxury, and our party believe it is a proper subject of taxation in order that we may put a necessity like sugar upon the breakfast table free from any duty.

Mr. BRISTOW. The Senator from Kansas does not object to internal-revenue taxes being imposed upon the consumption of tobacco, but he does object to a protective duty of 169 per cent on the tobacco fields of Kentucky, when the sugar-beet farmer of the West and the wheat grower of the West have their products placed upon the free list.

Mr. JAMES. O Mr. President, of course the Senator can make that speech. He has made it several times; but I think everybody understands that it would be manifestly unfair to exact from the home producer an internal-revenue tax upon his product and let the product of the foreigner, who pays no taxes here, who does not love our country here, who does not stand ready to defend it, who has no interest in it, come in here and sell his product free of any taxation at all.

Mr. BRISTOW. I agree with the Senator, but why not——

Mr. JAMES. Then that settles it. [Laughter in the galleries.]

Mr. WARREN. Mr. President, I rise to a question of order. The rules of the Senate do not permit manifestations in the galleries of approbation or disapprobation.

The VICE PRESIDENT. The Chair would be glad to have the Senator indicate the particular rule. The Chair has been examining the rules, but he does not find it there.

Mr. WARREN. The Vice President probably knows the rule, and if he has examined the rules and says it is not there, I have nothing further to say at this time.

The VICE PRESIDENT. The Chair has been unable to find it.

Mr. WARREN. The Vice Presidents have always so announced the rule heretofore.

The VICE PRESIDENT. On the statement of a Senator some time ago the Chair so ruled, but on examining the rules the Chair was unable to find it.

Mr. BRISTOW. But why does he not treat the producer of sugar beets of the West with the same consideration that he treats the producer of tobacco?

Mr. JAMES. If you will——

Mr. BRISTOW. Why is the farmer who cultivates the soil for the growth of tobacco, a luxury, entitled to more consideration than the farmer who cultivates beets to produce a necessity of life?

Mr. JAMES. You talk about sugar beets. You are advocating a protection of $1.90 upon refined sugar, and yet you have been advocating and allowing sugar beets of the Canadian farmer to come in here at 10 per cent, yet you give your sugar refiner, when he buys those beets to refine them in the market, eight times as much protection as you give the American farmer who grows the beets.

Mr. BRISTOW. The Senator from Kentucky is just as accurate in that statement as he has been in any that he has made here to-night. He can not point to a single utterance that the Senator from Kansas has ever made on this floor in favor of a duty of $1.90 per hundred pounds on sugar.

Mr. JAMES. I ask the Senator, Is he a Republican? The Republican Party stood for it. Tell me to what party the Senator claims allegiance.

Mr. BRISTOW. The Senator from Kentucky said that the Senator from Kansas did, or that "you did," and I say to the Senator from Kentucky that the Senator from Kansas does not and never has said that he favored a duty of $1.90 per hundred pounds on sugar.

Mr. JAMES. Well, Mr. President, I, in that statement, was merely aligning the Senator with the Republican Party. The Senator has not told me to which party he claims allegiance. Mr. President, the Senator from Kansas is like an old fellow that lived in a small country town down my way during the Civil War who heard that there was a band of guerrillas coming into town. From his first information he thought it was a small one and organized the boys of the town to wage war upon them. And as they started out to meet them, with the courageous captain riding in front, a boy came running up the road greatly excited, and said to the captain, "My, don't go down there. There are thousands of them, and they will kill you all." The old fellow said, "Oh, my boy, we are going to meet them; we will look them over, and if there are fewer of them than there are of us we will lick them. If there are more of them than there are of us, we'll jine 'em." [Laughter and applause on the floor and in the galleries.]

Mr. BRISTOW. That is as intelligent an answer——

Mr. JAMES. That may be the Senator's position. He will be a Bull Moose if he sees he can lick them, and he will be a Republican if he sees they can lick him. [Laughter in the galleries.]

Mr. BRISTOW. That is as intelligent an argument upon the merits of the tariff bill as the Senator has made to-night.

Mr. JAMES. I do not——

Mr. BRISTOW. I do not propose to——

Mr. JAMES. I knew the Senator would get mad, Mr. President. That is always quite a tender spot with him. I have known for some time that he was ashamed to tell to what party he claims allegiance in this great struggle here.

Mr. BRISTOW. I assure the Senator that I am not half as angry as he seems to think I am.

Mr. JAMES. In all respect and kindness to the Senator, I do not desire to irritate him, though some of my retorts, purely kind, have seemed to do so very greatly, and to that extent that he has used language that in my judgment was not justified.

Mr. BRISTOW. If the Senator sees fit to make that answer in order to avoid any further criticism——

Mr. JAMES. I will yield to the Senator on one consideration, and that is that he tell us to what political party he belongs.

The VICE PRESIDENT. The Senator from Kentucky will proceed.

Mr. BRISTOW. If the Chair states that the Senator has not yielded to me——

The VICE PRESIDENT. The Chair understands that the Senator from Kentucky declines to yield.

Mr. BRISTOW. I thought he said he yielded.

Mr. JAMES. Yes; I yield to the Senator on the condition that he tell us to what particular party he belongs. Then I will know how to deal with the Senator in debate. I do not want to take the trouble to particularize him from his party. If I know to which party he claims he belongs, then I can understand him better. I am dealing with principles and parties, not with individuals.

Mr. BRISTOW. Mr. President, I desire to say to the Senator from Kentucky that as to what party I belong is my own concern, so far as the merits of this question are concerned.

Mr. JAMES. Then I refuse to yield. [Laughter in the galleries.]

The VICE PRESIDENT. The Senator from Kentucky will proceed.

Mr. JAMES. Mr. President, I was merely pointing out that the Senate is solemnly asked to tax all the farmers who grow wheat and corn and cotton and oats who make a net profit of from $3 to $7.50 per acre in order to give an artificial profit to the sugar-beet grower, who is making now, according to the proof taken by the Hardwick investigating committee, and I have the testimony here in front of me, showing that they make net profits all the way from $25 to $72 per acre on the production of sugar beets.

Is it fair, Mr. President, to tax the cotton farmer, who toils under the southern sun, and all farmers who grow corn and wheat and work as hard as the beet-sugar grower does—is it

fair to tax those men, who only make a net profit of from six dollars to seven and a half dollars per acre, in order to give an additional profit to the sugar-beet grower, whose average net profit runs all the way from twenty-five to fifty-odd dollars per acre?

But, Mr. President, I desire to say that the sugar-beet grower, great as his profit has been in the United States, has not enjoyed the rich benefit to which he was really entitled. Take the Great Western Sugar Co., of Michigan. It made in five years $18,000,000. They paid taxes upon $2,500,000. They have declared dividends all the way from 35 per cent on up to 100 per cent. How much does the farmer in the West get for his sugar beets? The farmer in the West gets for his sugar beets from about $5.50 to $5.75 per ton. How much does the sugar-beet grower in Germany get? I hold in my hand here a statement issued by one of the trade reports of Germany and one of her sugar factories, which is as follows:

Balance sheet and trade report of the Dirschau (Germany) Sugar Factory for the season 1911–12, as follows:

We have followed the example of other factories and have increased beet prices M. 40 per 100 kilos for 1912–13, viz:

"Five dollars and eighty cents per long ton, shipment by end of October.

"Six dollars and four cents per long ton, shipment first half November.

"Six dollars and twenty-eight cents per long ton, shipment from November 16 to closing down of factory.

"Rebates for freight will be paid as usual. The beet growers will receive additional payments if the profits of the stockholders amount to more than 6 per cent. During the past year, 1911–12, we have made additional payments to beet growers, as per contract, at the rate of 89 cents per ton, and we have voluntarily paid our regular shippers an additional rate of 79 cents per ton."

In the annual report of F. O. Licht, statistical bureau for the beet-sugar industry of the German Empire for the season of 1911–12, the following occurs:

The official (average) price of beets during the years 1910–11 were 5.44; 1911–12, 5.56.

So it develops that our beet-sugar factories themselves present the proof that the grower in this country is entitled to little or no protection.

Certainly it can not be successfully contended that the factory cost of manufacturing beet sugar is greater in this country than abroad. The operation is a mechanical one. The cost of labor per pound of sugar produced is very small. The cost of fuel here is less than in Europe and the average size of the factory is larger, so that operating expenses here are reduced in this way.

What a vast sum would be paid to the sugar-beet growers of the West if they had made a contract with the sugar-beet factories to divide with them all in excess of 6 per cent profit. What a great sum they would have received.

I can imagine now the Great Western Sugar Co., that made $18,000,000 in five years, going out and dividing with the farmers in the West who grow the beets out of which it made those millions. What a vast sum it would be. In Germany they pay them upon an average $6 per ton. In addition to that, they pay them a bonus upon their sugar beets if they make more than 6 per cent, and in many cases in Germany they have paid to them as much as 75 and 80 cents a ton on the additional amount exceeding the 6 per cent profit that went pro rata to the sugar-beet growers from whom they purchased beets; but over in this country the farmer grows sugar beets and sells them to the factory. The factory makes the enormous profit, and charges up to depreciation of value hundreds upon hundreds of thousands of dollars in order to conceal from the public the real amount of their profit; and yet we are told, Mr. President, that we ought to permit this to go on because it is just a little amount; that it will only cheapen sugar for a while.

In 1890, when sugar was placed upon the free list, within 30 days from that time it fell 2 cents a pound, and every farmer and every laborer in this land was enabled to buy it that much cheaper.

Mr. President, sugar is a great necessity of life. In this country our consumption per capita is 80 pounds; in Great Britain, before the Boer War, when sugar was free, the consumption was 110 pounds per capita. When sugar was placed on the free list in this country in 1890 its consumption increased 25 per cent per capita.

Mr. President, the sugar-beet grower of the West needs no protection. He is getting no more for his beets to-day than is paid to the farmer in Germany who produces beets. All of the profits of this protection have been absorbed and eaten up and have gone for many years to the sugar-beet factory owner. There is where it has gone.

Mr. President, our friend from Louisiana stated that in Mississippi and other Southern States there was an amount of so much protection which differed from other States. This is a great Republic. In Mississippi there are practically no products that are protected.

Mr. WILLIAMS. Mr. President——

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Mississippi?

Mr. JAMES. Certainly.

Mr. WILLIAMS. Did I understand the Senator correctly that there was some protection to somebody in Mississippi?

Mr. JAMES. No; the Senator misunderstood me. I said there was practically no protection in Mississippi; but the Senator from Louisiana was seeking to make the argument that this bill was sectional. I have heard that argument made before, but it did not come from a Democrat. I heard Mr. Speaker Cannon once make the argument that the wool bill we had under consideration in the other House was sectional; but when the next bill came along, which was for free sugar, I saw him turn to the Representatives from Louisiana and heard him say to them: "Oh, Louisiana, Louisiana, how much longer will you kiss the Democratic hand that smites you?"

Upon the committee that formulated this bill there is a majority of southerners—the Senator from Mississippi [Mr. WILLIAMS], the Senator from Missouri [Mr. STONE], the Senator from Georgia [Mr. SMITH], the Senator from Colorado [Mr. THOMAS], who was born in Georgia, now a Senator from a Western State, the Senator from North Carolina [Mr. SIMMONS], the Senator from Oklahoma [Mr. GORE], and myself constituting a majority of Senators upon that committee, and surely the American people will not hear with tolerance any suggestion that southerners have legislated against their own section of the country, where they were born, that they love, and where those who love them live and those whom they loved lie buried.

Mr. President, one of the great products of Kentucky, hemp, had a tariff, I believe, of $22.50 per ton upon it, and that article was placed upon the free list; but I am not going to leave the Democratic Party upon that account. I voted for the removal of that duty because other basic products, like cotton and wool, are placed upon the free list. So Kentucky hemp goes upon the free list. It is grown upon as rich a soil as there is in the world; and the Kentucky farmers, if they can not grow hemp profitably, can grow wheat or corn or tobacco profitably. They are not asking the protection of the Government or for the taxing power of the Government in order to make profitable a great agricultural product of theirs.

Mr. RANSDELL. Mr. President, will the Senator from Kentucky yield for a question?

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Louisiana?

Mr. JAMES. I yield.

Mr. RANSDELL. I should like to ask if Kentucky whisky goes on the free list?

Mr. JAMES. Why, Mr. President, Kentucky whisky is taxed a dollar and ten cents per gallon; and that is because it is a luxury. [Laughter.] A dollar and ten cents internal-revenue tax is placed upon whisky, and that, I repeat, is for the purpose of getting revenue sufficient to run the Government. About $250,000,000 is gathered from the internal-revenue taxes placed upon whisky and tobacco in order to sustain this Government. Would the Senator have sugar placed upon the tax list and whisky placed upon the free list? [Laughter.]

Mr. RANSDELL. I ask the Senator from Kentucky if there is not a duty of $1.50 a gallon on whisky in addition to the internal-revenue tax, to which he has referred, of $1.10 a gallon, making a total tax on whisky of $2.60 per gallon?

Mr. JAMES. Mr. President——

Mr. RANSDELL. Wait a minute until I ask a question. I will ask the Senator whether the State of Kentucky does not manufacture annually about 43,000,000 gallons of whisky, which receives the benefit of this protection of a dollar and a half a gallon in addition to the internal-revenue tax of $1.10 a gallon?

Mr. JAMES. This is the first time I ever heard the argument advanced that an internal-revenue tax placed upon whisky was a protection to whisky.

Mr. RANSDELL. I did not speak of the internal-revenue tax.

Mr. JAMES. But just allow me to answer, please.

Mr. RANSDELL. Very well.

Mr. JAMES. The Senator from Louisiana has not known much of Kentucky whisky, or he would know that it needs no protection from any whisky in the world. [Laughter on the floor and in the galleries.]

Mr. RANSDELL. Mr. President, I am glad the Senator acquits me of a knowledge of the famous corn juice for which his State is so famous, but he has not answered and he can not answer my question about a dollar and a half a gallon protection upon the corn of Kentucky. That is a wonderful protec-

tion his State gets. A bushel of corn makes 4 gallons of that Kentucky Bourbon that is so fine.

Mr. JAMES. So far as foreign whisky is concerned, Mr. President, the distilleries of Kentucky export more whisky than all the rest of the world exports into the United States of America. The Kentucky whisky is a peculiar brand; it stands alone; it fears no competition; and so far as a protective tariff being placed on whisky in order to protect whisky, it never entered the mind of a single man, except the Senator from Louisiana.

Mr. RANSDELL. Some American citizens must like this other whisky, for it produces about $25,000,000 a year revenue; that is, the internal-revenue tax and the import duty on these other whiskies.

Mr. JAMES. If the Senator wants to take the position—and while he is getting into the Republican Party, he had better get in good—the Republican Party once took the position in favor of free whisky. Now, if the Senator wants to take that position, we will understand that he has at last gotten beyond redemption. [Laughter.]

Mr. RANSDELL. Mr. President, I am not taking a position for free whisky—I think it is a luxury, and I think it ought to be taxed—but I am taking the position that the Senator shall not get up here and try to put the products of Louisiana on the free list and make no mention whatever of the tremendous protection which his State is getting, of sixty-odd million dollars a year because of that tax on Kentucky whisky.

Mr. JAMES. So far as I am concerned, Mr. President, I am willing that the Senator from Louisiana or anybody else shall take away all the protection upon foreign whisky if you will only levy upon foreign whisky, as you do upon home whisky, an internal-revenue tax. The Senator knows very well that the tax laid upon the article of domestic production is an internal-revenue tax, and that you could not allow whisky to be imported into this country without any tax upon it at all.

Mr. RANSDELL. The tax is a dollar and ten cents plus a dollar and fifty cents, making $2.60—one dollar and a half protective duty and $1.10 internal-revenue tax.

Mr. JAMES. So far as that dollar and fifty cents is concerned, it does not protect the Kentucky distiller. There is not a whisky producer in Kentucky who ever believed it did, and the Senator from Louisiana knows it does not. It is purely a revenue tax and brings millions into our Treasury from foreign whisky, which is a luxury and ought to be taxed. So far as I am individually concerned, I am willing to place a revenue tax upon whisky, because it is a luxury and not a necessity. I am willing to place a tax upon the foreign production.

The provisions of the bill in relation to whisky are of the same character as those that have remained in the law all along for the last 25 years. The spirits schedule was not mine; I had *nothing* to do with it; but I will say to the Senator that this bill contains an additional revenue tax upon whisky of $1,000,000 that never was written in any other bill in the world. I reckon if whisky were a Louisiana product the Senator would leave the Democratic Party upon that account; but when we wrote a million dollars additional tax upon whisky I voted for it, because I believed that it ought to bear its burden of taxation because it is a luxury.

Mr. President, I took the floor merely to answer the argument made by the Senator from Louisiana upon sugar, but he branched off and made an argument for a tax upon wool. He says that a tax on wool is for the benefit of the farmer. How many farmers in the United States grow wool? Five-hundred-and-odd thousand farmers grow wool. How many farmers are there in this country? There are 6,300,000 farmers in the United States, of whom 5,700,000 produce no wool. I am the advocate of the farmer. You tell me that you want to protect the farmer, when in order to do so you tax 10 farmers to protect 1. One farmer has sheep, and you tax 10 of his neighbors who use wool. In the Senator's own State nearly 10,000,000 pounds of wool are imported in order to supply his own people in the State of Louisiana.

The population of Louisiana according to the census of 1910 was 1,656,388; wool produced in Louisiana, 573,500 pounds per annum. The wool consumed by the people of Louisiana was 10,300,883 pounds per annum. So the people of that State would have to pay the tax upon 9,700,000 more pounds of wool than is produced in that State every year. I speak, Mr. President, for the 5,700,000 farmers in the United States who do not produce wool as against the 500,000 farmers who do produce wool.

So upon sugar I speak for the ninety-odd millions of people who consume sugar, while the Senator speaks for the small number who produce sugar. How many farmers in the United States produce sugar beets? I would say that there were not more than 10,000 of them engaged in the production of sugar beets. Against the 10,000 who produce beet sugar I stand for the 6,290,000 farmers who consume sugar.

Our Republican friends tell us that this bill is antagonistic to the interests of the farmer, that it places his corn and wheat upon the free list, that it removes from his productions the tariff rates that now exist upon those products. If there is one fraud above another, if there is one deception greater than all the rest, it is the theory advanced by them that the tariff upon corn and wheat increases the price of those products. There never has been a year in the history of the life of this great Republic in which we have not exported more corn and wheat than we have imported. For the last 10 years our exports have exceeded our imports by from 20,000,000 to 120,000,000 bushels of corn. Our exports of wheat have exceeded our imports during these last 10 years by from 70,000,000 to 234,000,000 bushels. Producing, therefore, more of both of these products than our people can consume, our surplus production must be sold in the open markets of the world. The price, therefore, of the surplus products of necessity fixes the price of the domestic product, and the conclusion irresistibly follows that the price of corn and wheat in this, as in all countries that produce more than they can consume, is fixed by the world's market price. No one would ship corn out of the United States to foreign countries of the world if he could obtain as much for it here as he could there, and certainly he would not ship it abroad if he could obtain more here than he could there.

This duty, therefore, placed upon corn and wheat is used as a great deception upon the farmers in order that the people who manufacture all the things that they use are enabled to say to the farmer, "Why, you share in this protection; you are benefited by the increased price of corn and wheat, and therefore the increased price that you pay for your plows, your harvesting machinery, your harrows, your rakes, your wagons, your harness, your boots and shoes, your clothes, your sugar, and all the other necessities of life is compensated to you by this tariff upon farm products." President Taft himself declared, when the Canadian reciprocity question was under consideration, that the price of corn and wheat was not increased by the tariff. Secretary of Agriculture Wilson, a distinguished Republican, made the same statement. I am frank to say, Mr. President, however, that if I did believe the tariff enhanced the value of corn and wheat I would still vote against it. The hand of taxation, in my deliberate judgment, should never be fastened upon the bread and meat our people eat. I could not find it in my heart to raise the price of bread, the staff of life, by the taxing power of the Government. I am unwilling to make it harder for the poor to feed hungry mouths with meat and bread by giving to them a fictitious value, by laying a tariff duty upon them. In this Republic of republics, this prosperous land of ours, with its myriad avenues of taxation, we should certainly be able to supply our revenue necessities sufficient to administer the affairs of this Government in economy and honesty without pinching the tables of the poor. Mr. President, meat and bread should be as free from taxation as the light that shines upon us, as the air we breathe, or the water we drink. I rejoice that in this great bill we take the tax off of the necessities of life and transfer it to the profits of the rich. We substitute a tax upon the income from millions of the rich for a tax upon those things that feed and clothe our people, and I rejoice that for the first time in half a century the wealth of this land will share the burden that would be borne by poverty—that the income tax, the most just of all taxes, will be written into the law.

It is a tax that never touches want, a tax that never burdens adversity, a tax that never causes sorrow, a tax that never hovers above distress, a tax that forecloses no mortgages, a tax that forces no sales; it is a tax that reaches only where prosperity dwells, a tax that is collected only where success abounds.

Instead of being called an income tax, it could be more properly and justly called a prosperity tax. Mr. President, it was a long, fierce struggle that Democracy made to have the income tax written into our Constitution, so that the right to tax wealth to make prosperity share the burdens of the glorious Republic that prospered them would be immune to the technical objection of shrewd lawyers, safe from the attack of the constitutional critic, and not unconstitutional, because we made it a part of the Constitution itself. For 50 years and more the numberless fortunes have been exempt; our Government has been run by what you might call a consumption tax. The great wealth of the land has been exempted. While demanding and receiving protection—a deceptive word they use, which only means that the Government farmed out to them the right to tax all the other people for their benefit—they stubbornly resisted

the payment of a single dollar of taxes upon their vast accumulations, upon their swollen, and ofttimes stolen, fortunes. But at last the people were victorious. The income tax was written as a part of the Constitution of this Government, and in conformity with that and by its authority we have written into this law a tax upon incomes that will bring into the Treasury of the Government more than $100,000,000 per annum. I can not think there is a single honest American that will dispute the righteousness of this tax. If there be such, let him leave this land that has so prospered him and seek another, for he neither loves this country nor has the patriotism or courage to defend it.

The President, Woodrow Wilson, has been denounced as a dictator. Why? Because he has dared to stand for the faith as written in our platform. If he had been in favor of special privilege, if he had been in favor of the exactions that greed demanded, his position would not have been assailed as that of a dictator; he would have been hailed as a benefactor by those who now assail him. But because he believed in and advised in favor of free meat and free bread and free sugar and free wool, he is denounced as a dictator; but the American people will answer at the ballot box and say, "If that be dictation, then long live the dictator who stands for that doctrine in our American life." [Applause in the galleries.]

The VICE PRESIDENT rapped with his gavel.

Mr. JAMES. Mr. President, I rejoice that when this bill which we are now considering springs into life the Payne-Aldrich bill goes to its death. That measure was the greatest betrayal ever written into law, the most consummate piece of class legislation that ever found its way upon the statute books of the country or ever masqueraded under the cloak of a bill to raise revenue.

Mr. President, this bill has been framed in the interest of all the people. It is free from the corroding touch of special privilege. It frees from the heavy hand of taxation the necessities of life. It denies to trusts and monopolies the favor and assistance of Government aid. It does not farm out to a favored few the special privilege of taxation. It recognizes the only true and just principle upon which taxation can rightly rest, and that is to secure revenue sufficient to administer the affairs of the Government honestly and economically. In this bill there are no jokers to enrich members of the Finance Committee. In it no rates are written to burden the poor in order to enrich Members of this body. Within our council room no paid agent of monopoly sat giving daily reports of his triumph in writing the rates that greed desired. No schedule in this bill has been written by its chief beneficiaries. This bill is the work of sincere hearts, open minds, and untainted hands. It is responsive to the will of the American people, a will twice overwhelmingly expressed at the polls. It is the promise of Democracy faithfully written into law. This bill is free from intrigue, devoid of injustice. It is a bill to support this Government and not a bill to impoverish the people—a bill to raise revenue and not a bill to raise millionaires. I thank you. [Applause on the floor and in the galleries.]

Mr. BRISTOW obtained the floor.

Mr. THOMAS. Mr. President, will the Senator from Kansas yield to me?

The VICE PRESIDENT. Does the Senator from Kansas yield to the Senator from Colorado?

Mr. BRISTOW. I do.

Mr. THOMAS. I do not intend to take more than a moment. I am not going to make a speech. I rose merely for the purpose of announcing that on Monday next, after the close of the morning business, I shall address the Senate upon Schedule E and its relation to beet sugar and beet-sugar production.

Mr. BRISTOW. Mr. President, for florid and violent statements, with little regard to fact or accuracy, the effort which the Senator from Kentucky [Mr. JAMES] has just made probably has no parallel in the history of this body.

The Senator has taken a few illustrations, gathered from an extensive investigation, as to the profits that are made by sugar-beet farmers in the United States, and has compared them with the profits made in other agricultural pursuits. He has given the amount made as profit by the sugar-beet farmers at about $43 per acre. If the Senator from Kentucky had cared to state the facts, or if he had given any attention to the statistics that are available for him or any other Member of this body, he would have made no such statements.

It is well known to those who have taken the trouble to inform themselves that the average production of sugar beets in this country is only about 10 tons per acre, and the average price paid to the farmer who grows sugar beets is $5.50 per ton, making the gross receipts for each acre of sugar beets raised approximately $55.

It is about all that a farmer can do to grow 10 acres of beets. His gross receipts on the average are $55 per acre. Take out of that the expenses he has in growing his 10 acres of beets and his net profits are no greater than the net profits of the average agricultural crop, and this the Senator from Kentucky should have stated if he cared anything about facts in discussing the sugar tariff.

Mr. WILLIAMS. Mr. President——

The VICE PRESIDENT. Does the Senator from Kansas yield to the Senator from Mississippi?

Mr. BRISTOW. I do.

Mr. WILLIAMS. I wish to ask a question, merely to get the Senator's idea of what the facts are. I do not myself know, because the evidence is so absolutely confusing that one can not find out. What is the Senator's idea of the net profit of the sugar-beet grower per acre?

Mr. BRISTOW. It varies; the same as in the case of every other agricultural product.

Mr. WILLIAMS. I understand that.

Mr. BRISTOW. Some of them make no profit; some have made, in rare instances, as much as the Senator from Kentucky says.

Mr. WILLIAMS. But what is the Senator's idea of the average net profit of the sugar-beet grower?

Mr. BRISTOW. The sugar-beet farmer can grow, as a rule, for each man about 10 acres, and he gets on an average in the United States $55 an acre. He does well if he can average 10 tons per acre, making $55 gross per acre for his crop. As to what his net profit is, nobody can tell. It depends upon the conditions.

Mr. WILLIAMS. But can not the Senator give me an approximate idea of the average net profit?

Mr. BRISTOW. I can not.

Mr. WILLIAMS. I ask, because if the average net profit, as has been asserted by some very conservative beet growers, is $6 an acre—that being about the lowest estimate I have ever seen—I would undertake to grow rich in 10 years if I could make that on cotton.

Mr. BRISTOW. I believe the Senator from Mississippi is intellectually absolutely honest. If a sugar-beet farmer could grow as many acres of beets as he can of wheat or corn and make as much money per acre——

Mr. WILLIAMS. I am talking about the net profit.

Mr. BRISTOW. Well, net profit or any other kind of profit.

Mr. WILLIAMS. If the net income of growing sugar beets is $6 an acre, I undertake to say that if I could make a net 10 years. So far, growing cotton has made me rather poor.

Mr. BRISTOW. It is not possible to estimate the average net profits of a farmer as it is of a business man. His work is entirely of a different character.

Mr. President, the Senator from Kentucky spoke of meat and bread, and said they should be as free as the air we breathe. But in this bill the Senator from Kentucky votes to put a duty on every stitch of clothing that a man wears, whether he be in the shop or the factory or upon the farm. If the meat and bread which the man eats should be as free as the water that he drinks and the air that he breathes, ought not the Senator from Kentucky also to favor making the clothing which the law compels him to wear as free as the meat and the bread? Yet the Senator taxes the clothing made in the mills and factories at from 25 to 50 per cent.

The Senator from Kentucky claims to be a friend of the farmer, yet on the article of fluorspar, a mineral produced in the Senator's own county, in the State of Kentucky, he maintains in this bill a duty of 50 per cent, while the wool, the wheat, and the cattle which grow on the Kentucky farm he puts on the free list. That is the kind of a friend the Kentucky farmers have to represent them here on this floor.

The Senator defended the duty on whisky, and tried to make it appear that such duty was an internal-revenue tax and not a protective tax, when the Senator, who comes from the State which, he says, produces more whisky than any other State in the Union, knows that there is an internal-revenue tax of $1.10 per gallon imposed on every gallon of whisky, foreign or domestic, that is consumed in the United States. He knows—and if he had been as frank as he expects other Senators to be he would have stated—that there is also a protective duty on every gallon of whisky that is imported into the United States of one dollar and a half a gallon in addition to the $1.10 of internal-revenue duty. All of the tax on whisky could have been collected as internal-revenue tax as easily as to impose a customs duty upon it, but that would have left the distilleries of Ken-

tucky in competition with the world, and the Senator's kindly solicitude for them would not permit that.

Oh, no! This great patriot, who looms up so magnificently from the State of Kentucky to defend this tariff bill, imposes a protective duty of a dollar and a half per gallon on the whisky that is produced in Kentucky, a protection to the distilleries of the Blue Grass State, but he refuses to give the farmers who grow sheep in that State any protection upon the wool they grow. I would like for the Senator to answer me why he favors such an infamous policy, but as soon as I rise in my own right to answer his arguments this courageous Kentuckian leaves the Chamber.

The whisky distilleries of America are protected in this bill—oh, yes; but the farmers, upon whose industry and through whose toil the American Nation has been enriched, are turned over to the free competition of the earth, except those that may be growing tobacco or rice. The Senator would close the sugar factories of Louisiana and the beet-sugar factories of the West, but he would never close a distillery in Kentucky. Oh, no! The distilleries of the grand old Blue Grass State must have their protection. They are, without doubt, the friends of the Senator.

The Senator referred to the lamented McKinley; but he was not frank enough to tell the Senate of the United States that when the great McKinley uttered that statement there were but two beet-sugar factories in the United States; that it was after that date that the development of this great enterprise began. It was after the law which bears his signature had been placed upon the statute books that this industry began its wonderful development; and from the two factories that existed when the McKinley bill was passed there has grown a mighty industry, until to-day we have 73 factories, producing per annum about 700,000 tons of sugar, or one-fifth of the entire American consumption.

Ah, it may be broad-minded statesmanship to murder the great sugar industry which flourishes a thousand miles from the Senator's home State and protect the distilleries and the tobacco growers within his State, and, incidentally, a little fluorspar in his home county, but I do not think so.

It has been the persistent policy of every great civilized nation, with one exception, to encourage domestic sugar production. Beginning, as I said in the Senate a few days since, with the great Napoleon, sugar-beet production has had the favor of every great commercial nation of the earth except one. But in the days of the development of this industry in France, Germany, Russia, Austria, and other European nations there was a different kind of statesman in control of the affairs of each of those countries from the statesmen that seem to flourish in this day in our country. It was under the mighty Bismarck that the German sugar-beet production was developed. Under the policies which he established it grew from practically nothing, until to-day the German Empire is supplying the entire demands of her own people and exporting more than a million tons of beet sugar per annum. In the development of her industrial life Germany had a Bismarck friendly to her people and proud of their enterprise, but she never had a James; that misfortune has fallen to us.

In France during the great administration of Thiers the sugar-beet industry grew, until to-day France is producing nearly every pound of sugar which her people consume. During that period there was no such statesman to interfere with the promotion of her prosperity and the development of her domestic industries as we have in control of our national affairs to-day. Her statesmen were not of the type of the latest arrival here from the grand old State of Kentucky.

The Senator, while he was explaining with such unction the profits of the beet-sugar growers of the West, failed to state that beet culture is intensive farming; that one man can cultivate but comparatively a limited area; and that while one farmer may care for 100 acres of wheat or 50 acres of corn, he can care for only a comparatively small acreage of beets.

Senators, I think we should be frank in discussing the great economic questions that confront us—questions that ought to be settled here in the interest of a common country, and not through narrow partisan action.

The Senator refers to the Sugar Trust. Why, the Senator's action is what the Sugar Trust wants. The Sugar Trust refines sugar; it does not produce it. It buys the sugar that is grown in the Tropics. It imports it into the United States, refines it here, takes its toll, and then puts the refined product upon the American market. The refiners' trust desires free sugar because it will give it its raw material free. It does not want to pay a tax on its raw material. It takes the sugar that comes from the Tropics as its raw material, which under this bill comes in free, and then, by virtue of its great power, its monopoly, which it has acquired through years of effort, it charges for its refined product whatever price it can. When the beet-sugar industry is destroyed, which the Senator from Kentucky desires to do, the American market is to be left to the Sugar Trust, to be plundered without domestic competition. This is what the Senator's bill favors.

The campaign for free sugar was started by the sugar refiners four years ago. It has been kept up continuously. The literature that has been circulated by the Senator himself and his political associates was largely prepared by representatives of the sugar refiners. Of course they want free sugar, for it is their raw material. I know that there are well-meaning men here, Senators on this floor, who would not favor the Sugar Trust, who have voted for free sugar; but, whether knowingly or inadvertently, when they cast that vote it was in the interest of the Sugar Trust and against the independent domestic producer.

Mr. WILLIAMS. Mr. President——

The VICE PRESIDENT. Does the Senator from Kansas yield to the Senator from Mississippi?

Mr. BRISTOW. I do.

Mr. WILLIAMS. I should like to ask the Senator from Kansas one more question, and then I will not disturb him further. I thought he said a moment ago that a vote in favor of free sugar was a vote in favor of the Sugar Trust. Did I understand him correctly?

Mr. BRISTOW. My statement was, whether knowingly or inadvertently, that a vote for free sugar is a vote in favor of the Sugar Trust.

Mr. WILLIAMS. The Senator might just as well have answered my question categorically.

Mr. BRISTOW. The Senator from Mississippi asked me what I said, and I undertook to repeat it in substance.

Mr. WILLIAMS. The Senator might just as well have answered categorically by saying yes.

Now, I should like to ask the Senator to explain how permitting all the refined sugar in the world from Java, Sumatra, Cuba, Germany, France, wherever cane or beet sugar is grown, to come to the shores of the United States could be an advantage to the refiner of sugar in the United States?

Mr. BRISTOW. I will say to the Senator from Mississippi that the cheapest sugar-producing countries on earth are the tropical islands of Java, Cuba, Santo Domingo, and a few others. They produce raw sugar. There has never been a pound of sugar refined upon any of those islands.

Mr. WILLIAMS. But, Mr. President——

Mr. BRISTOW. If the Senator will just pardon me to answer his question, I will be glad to yield to him again. That raw sugar is purchased by the sugar refiner in New York, Philadelphia, and New Orleans, and it is taken to those sugar refineries and refined and placed upon the market, and they can compete with any refiner on earth in Germany, England or any place else; and when they can get their raw sugar as they can from these islands they do not need any protection against the beet-sugar producers of Germany, because they can undersell them, and the beet-sugar producers will not send their sugar here, because they can not do so at a profit.

Mr. WILLIAMS. Mr. President, I understand that hitherto, of course, there has not been any refined sugar to any appreciable extent imported into the United States, and very little of it exported from the tropical islands to any country of the world.

Mr. BRISTOW. None of it.

Mr. WILLIAMS. Well, yes; the Senator must not go too far.

Mr. BRISTOW. I have not gone too far in that statement.

Mr. WILLIAMS. I understand the reason hitherto has been that every civilized country in the world, every European country in the world—and I mean by European country a country of European race—has fixed a duty upon refined sugar that renders it impossible for tropical countries to refine sugar and export it. But when we put refined sugar upon the free list, does the Senator pretend to tell the American people, as he is honest in purpose and honest in thought, that they will not refine sugar in Cuba and in Sumatra and in Java?

Mr. BRISTOW. I do.

Mr. WILLIAMS. If the Senator does pretend to tell us that, then I ask him if the reason why they can not refine sugar in those countries is because they have so much less to pay for labor?

Mr. BRISTOW. Oh, no. The reason why they do not refine it there is because the climatic conditions do not seem to invite it. The truth is that England refines the sugar that is consumed in England. It never has been refined in the British colonies. Canada refines her sugar. Even in our own country

we import it into continental United States to refine it from Hawaii and Porto Rico.

Mr. WILLIAMS. Then, if it be true that those countries which are afflicted with pauper labor can not refine sugar in competition with us, and the labor employed in sugar refinement is very unskilled labor, why is it that the Senator and his compeers contend that pauper labor is dangerous to all of them?

Now, one minute before you answer that. I agree with you that when you bring a ton of raw sugar into an American refinery the American refinery can refine it cheaper than it can be refined in Cuba or Java. Yet the Senator must confess that the price of labor in Cuba and in Java and in Sumatra runs from one-half to one-fifth of the price of labor in the American market. Therefore, if it be true, as he has said, that our refiners can compete with the world in refining raw sugar it must be because of the superior ability of American labor and American machinery.

Mr. BRISTOW. The pauper labor which the Senator speaks of would be unfit, I take it, for the purposes of the refiners. At least we have the fact undisputed that refineries are not successful and never have been so in the Tropics.

Mr. WILLIAMS. But does the Senator contend that that is on account of climatic reasons?

Mr. BRISTOW. England has had her sugar——

Mr. WILLIAMS. Wait a moment. Does the Senator contend that the reason why sugar has never hitherto been refined in the Tropics and exported from the Tropics in a refined condition is because of climatic reasons?

Mr. BRISTOW. I think that was one of the reasons.

Mr. WILLIAMS. There is not the slightest basis for that opinion.

Mr. BRISTOW. I think there is.

Mr. WILLIAMS. Sugar can be refined as well when the thermometer is at 110 as when it is at 68. It must be because of labor conditions.

Mr. BRISTOW. The Senator may think that is the reason. It may not be——

Mr. STONE. If the Senator will pardon me to make a single observation, there is universal talk around here on both sides of the Chamber tending to a wondering anxiety to know when this sing-sing wrangle and mere repetition of what we have heard here in this Chamber forty times within the last two or three months is to end.

Mr. BRISTOW. I appreciate the very courteous——

Mr. STONE. We are getting impatient and weary. These colloquies, these conversations and orations, are not entertaining to Senators who are supposed to listen.

Mr. BRISTOW. I thank the Senator for his very courteous remark, made in my time, through my courtesy. I heard no such suggestions from him during the fulminations of the distinguished Senator from Kentucky.

Mr. President, I believe I have said about all I care to say upon this question at the present time. I oppose this bill because of its unwarranted and indefensible discrimination against certain American producers, especially the farmer of the West. The tobacco and rice growers have been tenderly cared for. But the western farmer has been treated as though he were unworthy the consideration of the American Congress. There are many schedules in this bill the duties of which I think have been fixed with fair consideration to the industries involved, but unfortunately those of us who seek fairness to our sections and a reasonable protective duty on all industries that need it are prevented from voting for the measure because it contains, from our point of view, iniquities which are indefensible, and for which we can not stand.

Mr. BACON. Mr. President, I shall occupy not exceeding two minutes of the Senate's time, but late as it is I think I or some other Senator ought to say a word in regard to the rules of the Senate.

Precedents are very serious things in the Senate, and I wish to say with the profoundest respect for the Vice President and with the greatest deference that I trust he will revise and reconsider the statement made from the Chair to-night that there is nothing in the rules of this body which gives to the presiding officer the power to preserve order in the Chamber either on the floor or in the galleries. I do not wish to elaborate it, Mr. President, and only allude to it now for the reason that if it passed without challenge it might be considered as a precedent in which the Senate had acquiesced.

I repeat that with the profoundest respect for the Vice President and with the utmost deference I differ from the opinion of the Chair that there is nothing in the rules which lodges that power in the hands of the presiding officer.

It is not necessary, Mr. President, that there should be a rule in words to that effect. It is a fundamental, inherent rule in every parliamentary body that it shall protect itself against disorder, and that its proceedings shall not be interfered with or influenced by any action or by any word or by any sound from those who are not members of the body.

It is a fundamental, necessary, inherent rule. No sound, Mr. President, is authorized in a parliamentary body, no voice is authorized to be heard in a parliamentary body, except the voices of those who are members of that body, and any utterance or any sound of any kind whatsoever is an invasion of the funadmental right and the essential right of every parliamentary body, and only in so far as a parliamentary body may permit it by its custom can it at all be recognized. It is not necessary that there should be a rule against interference or interruption. It is not necessary that there should be a rule to permit it before it can be recognized.

Now, Mr. President, I repeat that I do this with the utmost deference for the presiding officer, and I only do so because not only myself but other Senators thought that the Senate should not adjourn with a precedent to that effect established which might come to plague us in the future.

I do not know that I should have said more than simply to have asked the Chair to revise and reconsider in order that this might not pass into the records of the Senate as a precedent.

I say this, I repeat, with the utmost deference and trust that it will be received in the spirit in which it is intended.

The VICE PRESIDENT. The Chair thinks that calls on the Chair to say something. The Chair proposes to say that the Chair has no predilection upon the subject whatever. Since the Chair has been presiding over this body the Chair has observed when there are manifestations of approval in the galleries that meet with the pleasure of Senators it would not be disorder, but if there are manifestations in the galleries that meet with the disapproval of Senators it is disorder.

The Chair has tried to have what he thought were the rules of the Senate enforced. What constitutes disorder the Chair has assumed was a question finally for the Senate itself to determine. The Chair may as well say right here that as much confusion has occurred among the Senators themselves as ever occurred in the galleries, and it very frequently occurs by those who are most desirous of having order preserved in the Senate.

Now, the Chair has not the slightest objection in the world, and would prefer to require that no manifestations should be made whatever in the galleries if the Senate will back the Chair up and order the galleries to be cleared if they do make any manifestations. But upon a pretty careful examination of what is called the precedents the Chair has found that where there was so-called disorder it has been suppressed at the instance of a Senator and not at the instance of the presiding officer. Motion after motion has been made by Senators to require the galleries to be cleared.

The Chair has not the slightest objection in the world, but it is personally agreeable to the Chair to suppress, if possible, every manifestation in the galleries. But whether that constitutes disorder or not the Chair would prefer to have the opinion of the Senate and not take his own opinion on the subject. The Chair desires to say to the Senator from Georgia [Mr. BACON] that the Chair has been trying since that ruling was made to investigate the question and not violate any rule and to endeavor to preserve, as far as possible, order in the Senate of the United States; and this will not be taken as any precedent, because the Chair is not one of those who is bound by any precedent. The Chair simply desires to do right.

Mr. BACON. Mr. President, there is a unanimous consent which requires that we should to-night have an executive session. I think it will require a very short one.

Mr. SIMMONS. I hope the Senator will not call that matter up at this time.

Mr. BACON. I will not if there is any purpose on the part of the Senator that the present session shall be continued.

Mr. GALLINGER. Mr. President, disclaiming, as the Senator from Georgia [Mr. BACON] has disclaimed, any purpose to criticize the Chair, because unquestionably the Chair acted as he construed the rules and precedents of the Senate, and differing somewhat from the Senator from Georgia in his suggestion that no rule is required to preserve order in this body, and especially in the galleries, I give notice of an amendment to the rules of the Senate, which will bring the matter directly before the Committee on Rules. Therefore, Mr. President, I offer what I send to the Chair.

The VICE PRESIDENT. The Secretary will read it.

The SECRETARY. Mr. GALLINGER gives notice that he will on to-morrow or some subsequent day present an amendment to the rules as follows.

Add to Rule XIX the following:

It shall be the duty of the presiding officer to preserve order both in the Chamber and in the galleries, and if disorder in the galleries is persisted in, the Sergeant at Arms shall exercise his authority even to the extent of clearing the galleries.

The VICE PRESIDENT. The notice will lie over one day under the rule.

Mr. BACON. Mr. President, I will say for my own justification that so far as applause in the galleries to-night was concerned, I was in sympathy with the sentiment which evoked the applause, and I simply rose because I thought the Chair announced a rule which I believe it would be dangerous to permit to remain to be thereafter accepted as a precedent.

Mr. STONE. Mr. President, I should like to add for the consideration of the committee, as this resolution goes to the committee, that the responsibility of clearing the galleries does not rest with the Sergeant at Arms. The language of the resolution is that the Sergeant at Arms shall preserve order even to the extent of clearing the galleries. That would be a very difficult and delicate responsibility to impose upon the Sergeant at Arms. I think the presiding officer or the Senate ought to do it.

Mr. GALLINGER. Mr. President, just a word. The proposed amendment, which I may modify to some extent when I offer it, will go to the Committee on Rules, and if it is not in proper form the Committee on Rules can shape it. I myself think that there are some words in it that ought to be changed, but I submit it to-night simply as a notice.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Louisiana [Mr. RANSDELL].

Mr. THORNTON. I ask for the yeas and nays on the amendment.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. STERLING (when Mr. CRAWFORD's name was called). I announce the necessary absence of my colleague [Mr. CRAWFORD] and the fact that he is paired with the Senator from Tennessee [Mr. LEA]. If he were present and at liberty to vote, my colleague would vote "yea."

Mr. KERN (when his name was called). On account of my pair with the Senator from Kentucky [Mr. BRADLEY] I withhold my vote. If I were at liberty to vote, I should vote "nay."

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from California [Mr. PERKINS], who is absent on account of sickness. He being absent, I withhold my vote. If I were at liberty to vote, I should vote "nay."

Mr. THOMAS (when his name was called). I transfer my pair with the senior Senator from Ohio [Mr. BURTON] to the senior Senator from Nevada [Mr. NEWLANDS] and vote "nay."

The roll call was concluded.

Mr. REED. I am paired with the Senator from Michigan [Mr. SMITH] and am unable to secure a pair. I therefore withhold my vote. If I were at liberty to vote, I should vote "nay."

Mr. LEA. I again announce my pair with the Senator from South Dakota [Mr. CRAWFORD]. I have been unable to secure a transfer. If at liberty to vote, I should vote "nay."

Mr. BRYAN. I am paired with the junior Senator from Michigan [Mr. TOWNSEND]. In his absence I withhold my vote. If at liberty to vote, I should vote "nay."

Mr. LEWIS. I beg to reannounce my pair with the junior Senator from North Dakota [Mr. GRONNA]. If he were here, I should vote "nay."

Mr. GALLINGER. I desire to announce the absence of the junior Senator from Maine [Mr. BURLEIGH] on account of protracted illness. I also desire to announce the pairs of the Senator from Delaware [Mr. DU PONT] with the Senator from Texas [Mr. CULBERSON], and the Senator from Wisconsin [Mr. STEPHENSON] with the Senator from South Carolina [Mr. TILLMAN].

The result was announced—yeas 36, nays 38, as follows:

YEAS—36.

Borah	Dillingham	McCumber	Root
Brady	Fall	McLean	Sherman
Brandegee	Gallinger	Nelson	Smoot
Bristow	Jackson	Norris	Sterling
Catron	Jones	Oliver	Sutherland
Clapp	Kenyon	Page	Thornton
Clark, Wyo.	La Follette	Penrose	Warren
Colt	Lippitt	Poindexter	Weeks
Cummins	Lodge	Ransdell	Works

NAYS—38.

Ashurst	Fletcher	James	Myers
Bacon	Gore	Johnson	O'Gorman
Chamberlain	Hitchcock	Lane	Owen
Chilton	Hollis	Martin, Va.	Pittman
Clarke, Ark.	Hughes	Martine, N. J.	Pomerene
Robinson	Shively	Smith, S. C.	Vardaman
Saulsbury	Simmons	Stone	Walsh
Shafroth	Smith, Ariz.	Swanson	Williams
Sheppard	Smith, Ga.	Thomas	
Shields	Smith, Md.	Thompson	

NOT VOTING—21.

Bankhead	Culberson	Lewis	Stephenson
Bradley	du Pont	Newlands	Tillman
Bryan	Goff	Overman	Townsend
Burleigh	Gronna	Perkins	
Burton	Kern	Reed	
Crawford	Lea	Smith, Mich.	

So Mr. RANSDELL's amendment was rejected.

The VICE PRESIDENT. What is the pleasure of the Senator from North Carolina [Mr. SIMMONS]? Shall the reservations of amendments be taken up in order?

Mr. SIMMONS. Mr. President, I ask unanimous consent that we vote on to-morrow upon this bill and all amendments thereto at 4 o'clock, or not later than 4 o'clock——

Mr. GALLINGER. Commence voting?

Mr. SIMMONS. And that when the Senate adjourns to-night, it adjourn to meet at 9 o'clock to-morrow morning.

Mr. GALLINGER. I assume the Senator from North Carolina means that we shall commence voting at 4 o'clock on all amendments pending and to be offered without debate.

Mr. SIMMONS. That is what I mean. Of course I was going to put it in some orderly form, but that is the proposition which I wish to submit.

Mr. GALLINGER. Not later than 4 o'clock.

Mr. SIMMONS. Not later than 4 o'clock.

The VICE PRESIDENT. The Secretary will state the request for the unanimous-consent agreement.

The Secretary read as follows:

It is agreed by unanimous consent that when the Senate adjourns to-day it will be to meet to-morrow at 9 o'clock a. m., and that on to-morrow, Tuesday, September 9, 1913, at not later than 4 o'clock p. m., the Senate will proceed, without further debate, to vote upon any amendment that may be pending to the bill, any amendments that may be offered, and upon the final passage of the bill—House bill 3321 to reduce tariff duties, and so forth.

The VICE PRESIDENT. Is there objection to the unanimous-consent agreement as read by the Secretary?

Mr. OLIVER. I object to meeting at 9 o'clock in the morning. I do not see why we can not meet at 10 o'clock a. m. and vote at 5 o'clock p. m.

Mr. SIMMONS. I will change the request for unanimous consent to conform to the request of the Senator without saying anything about meeting at 9 o'clock, if the Senator objects on that account. I will simply ask that not later than 4 o'clock to-morrow the Senate begin to vote upon the amendments and the bill.

Mr. OLIVER. I withdraw my objection.

Mr. SIMMONS. Then I return to my original proposition, Mr. President.

Mr. BRISTOW. Mr. President, I ask that the request for unanimous consent be amended so that any amendment may be offered after 4 o'clock and that the Senator offering the amendment may have not more than five minutes to explain its provisions. I make this request, because frequently upon occasions of this kind amendments are offered, and the one who offers them can not say a word about them, so that it is impossible to know just what effect an amendment will have upon a particular paragraph; and so Senators are compelled to vote blindly. This proposition will not delay the consideration of the bill any material length of time, and it will be a very great convenience. I should like to have that provision incorporated in the agreement.

Mr. SIMMONS. I accept the suggestion of the Senator from Kansas.

The VICE PRESIDENT. The Secretary will read the proposed agreement as modified.

The SECRETARY. The Senator from North Carolina asks unanimous consent that when the Senate adjourns to-day it adjourn to meet to-morrow at 9 o'clock a. m.; that on to-morrow, Tuesday, September 9, 1913, at not later than 4 o'clock p. m. the Senate, without further debate, will begin to vote upon any amendment that may be pending to the bill, any amendments that may be offered to the bill, and upon the final passage of the bill; and that a Senator proposing an amendment after 4 o'clock shall be given not more than five minutes in which to explain his amendment.

Mr. NORRIS. Mr. President, I should like to ask a question of the Senator from North Carolina. Why could we not make the hour 5 o'clock instead of 4 o'clock? What is the objection to making it 5?

Mr. SIMMONS. I will say to the Senator that it was largely to subserve the convenience of a Senator whom we all want to favor in a matter of very great importance to him. If we begin

voting at 4 o'clock to-morrow, I think ample time will be afforded for discussion. We can go on to-night.

Mr. NORRIS. Yes.

Mr. SIMMONS. I am willing to go on until 1 o'clock or 2 o'clock, if desired, and we will have ample time to finish the business and give every Senator an opportunity, I think, to discuss amendments to the fullest extent.

Mr. NORRIS. It occurred to me that if we began to vote at 5 o'clock it would give ample time for the Senate to adjourn at a reasonable hour.

Mr. SIMMONS. Certainly not with the provision that Senators will have 5 minutes in which to explain any amendment that may be offered.

Mr. NORRIS. There will be no disposition, I assume, to have that stipulation in a unanimous-consent agreement if the hour be fixed later and made 5 o'clock instead of 4 o'clock.

Mr. SIMMONS. I trust the Senator will not make an objection.

Mr. NORRIS. I am not going to make an objection; but I will say to the Senator that we would be more apt to get an agreement if the hour were fixed at 5 o'clock, and that there would be nothing unfair about it.

Mr. SIMMONS. I will say to the Senator that we have been discussing this matter for the last two or three hours, and it is about the best arrangement that we have been able to make.

Mr. NORRIS. But the objection always made is that much of the time, possibly, may be taken up by one Senator in debate and the remaining time will be too short. Personally I have an idea that we will get through before 4 o'clock, but some Senator may take the floor and keep the floor all day, in which case others who have short explanations to make would not be able to make them.

Mr. SIMMONS. I think I can assure the Senator that not an hour will be taken up in debate on the part of Senators on this side of the Chamber to-morrow unless some Senator shall decide to speak who has not done so up to this time and has not notified me.

The VICE PRESIDENT. Is it the pleasure of the Senate that the unanimous-consent agreement as read by the Secretary shall be entered into?

Mr. LA FOLLETTE. I should like to inquire how many amendments which have been offered to this bill are now pending and not disposed of?

The VICE PRESIDENT. There have been 28 reservations made, the Chair is informd.

Mr. LA FOLLETTE. If I can have the attention of the Senator from North Carolina, I suggest that he include in the proposed unanimous-consent agreement——

Mr. NORRIS. We are unable to hear the Senator.

Mr. ASHURST. Mr. President, would Senators on the other side object to taking this side into their confidence somewhat, and speak a little louder?

Mr. LA FOLLETTE. We would if that side would cease conversation and show an interest in what is going on.

Mr. ASHURST. This side has not indulged in any conversation, but has listened with great interest to try to hear what was being said on the other side.

Mr. MARTINE of New Jersey. I assure the Senator that we are deeply interested.

Mr. SIMMONS. Regular order!

Mr. LA FOLLETTE. I will suggest to the Senator from North Carolina that he amend his request for unanimous consent to include a disposition of all the pending amendments before the Senate adjourns to-night, and that the hour fixed for voting to-morrow be 5 o'clock instead of 4.

Mr. SIMMONS. Does the Senator mean that before we adjourn to-night we are to pass upon all the amendments?

Mr. LA FOLLETTE. Yes.

Mr. SIMMONS. Well, if we do that what is the necessity of taking up any time to-morrow?

Mr. LA FOLLETTE. I fancy that there may be some amendments offered to-morrow.

Mr. SIMMONS. But I understood the Senator to suggest that we conclude all amendments to night.

Mr. LA FOLLETTE. All amendments that have been offered.

Mr. MARTINE of New Jersey. Will the Senator from Wisconsin yield to me?

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from New Jersey?

Mr. LA FOLLETTE. I have not the floor.

Mr. MARTINE of New Jersey. I desire to suggest to the Senator from Wisconsin that it would be wiser to make it 6 o'clock instead of 5. It would be nearer daylight at 6 o'clock in the morning than it would be at 5, and it would be infinitely more comfortable for most of us to perambulate to our respective homes in daylight than in a miserable twilight. [Laughter.]

Mr. SIMMONS. I ask that the request be put to the Senate.

The VICE PRESIDENT. The question is, Shall the proposed unanimous-consent agreement as read be entered into? Is there objection?

Mr. POINDEXTER. I should like to hear the request for unanimous consent read again. There has been a good deal of discussion about the terms of the proposed unanimous-consent agreement.

The VICE PRESIDENT. The Secretary will again read the request for unanimous consent.

The Secretary read as follows:

It is agreed by unanimous consent that when the Senate adjourns to-day it will be to meet to-morrow at 9 o'clock a. m.; and that on to-morrow, Tuesday, September 9, 1913, at not later than 4 o'clock p. m., the Senate will proceed, without further debate, to vote upon any amendment that may be pending to the bill, any amendments that may be offered, and upon the final passage of the bill, House bill 3321, to reduce tariff duties, and so forth; and further, that the Senator proposing an amendment after the hour of 4 o'clock p. m. shall have not more than five minutes' time in which to explain such amendment.

The VICE PRESIDENT. Shall that unanimous-consent agreement be entered into?

Mr. WILLIAMS. Mr. President, it seems to me it would be clearer and better to have an hour fixed at which the voting must begin upon the bill and all amendments now pending or hereafter offered, and when the voting begins that the voting should continue without debate. It is perfectly possible that we might begin to vote at 4 o'clock, with an allowance of five minutes to everybody to explain his amendment——

Mr. SIMMONS. No; the Senator misunderstands that. It is only to the Senator offering the amendment after 4 o'clock.

Mr. WILLIAMS. I understand that. But if each Senator offering an amendment takes five minutes and 10 Senators offer such amendments, that is 50 minutes. I understood we were trying to fix this time so that one of our colleagues who must leave the Chamber at 5 o'clock may be able to leave at that time.

Mr. SIMMONS. Does the Senator from Mississippi understand that the request applies only to amendments offered after 4 o'clock?

Mr. WILLIAMS. I understand that.

Mr. SIMMONS. And that it would not apply to amendments offered before 4 o'clock or to amendments now pending?

Mr. WILLIAMS. As I understand, the agreement is that as to amendments not now pending the proponents of the amendments shall have five minutes apiece. Is that it?

Mr. SIMMONS. I understand that is satisfactory to the Senator from Virginia.

Mr. WILLIAMS. That is all right, then.

Mr. BRISTOW. Mr. President, just as it reads is the way I want it.

Mr. JONES. I wish to ask how the reserved amendments will be taken up—whether they will be taken up first, or whether any other amendments can be offered before the reserved amendments are disposed of?

Mr. SIMMONS. We are going to take them up to-night.

Mr. JONES. The reserved amendments are to be taken up and disposed of to-night?

Mr. MARTIN of Virginia. That is the purpose.

The VICE PRESIDENT. Is there objection?

Mr. MARTINE of New Jersey. Will the Chair please state the proposition?

The VICE PRESIDENT. If the Senate will be in order, the Secretary will again state the proposed unanimous-consent agreement.

The SECRETARY. It is agreed by unanimous consent that when the Senate adjourns to-day it will be to meet to-morrow at 9 o'clock a. m.; and that on to-morrow, Tuesday, September 9, 1913, at not later than 4 o'clock p. m., the Senate will proceed, without further debate, to vote upon any amendment that may be pending to the bill, any amendments that may be offered, and upon the final passage of the bill (H. R. 3321) to reduce tariff duties, and so forth; and, further, that the Senator proposing an amendment after the hour of 4 o'clock p. m. shall have not more than five minutes' time in which to explain such amendment.

The VICE PRESIDENT. Is there objection to entering into that agreement? The Chair hears none, and unanimous consent is given.

Mr. LA FOLLETTE. I offer an amendment at this time to the pending bill, which I ask may be printed and lie on the table.

The VICE PRESIDENT. The amendment will lie on the table and be printed.

Mr. SIMMONS. Mr. President, I ask that the next reserved amendment may be laid before the Senate.

The VICE PRESIDENT. Shall they be taken up in the order in which they were reserved, or in the order in which they appear in the bill?

Mr. SIMMONS. The order in which they were reserved, I should say, would be a good order.

The SECRETARY. The Senator from Washington [Mr. JONES] made the first reservation. The committee proposes to strike out "J," subsection 7, on page 263, or all the words printed in lines 11, 12, 13, and 14.

Mr. JONES. Mr. President, I offer an amendment in the nature of a substitute for that amendment.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. The Senator from Washington [Mr. JONES] offers, as a substitute for the words agreed to be stricken out, the following:

J. Subsection 7. That upon all goods, wares, and merchandise imported under the provisions of this act in vessels not built or not registered prior to the passage of this act under the laws of the United States, there shall be imposed and collected a duty of 10 per cent ad valorem in addition to the duties otherwise imposed by this act, and on such goods, wares, and merchandise as are otherwise admitted free there shall be imposed and collected a duty of 5 per cent ad valorem if imported in vessels not built or not registered under the laws of the United States: *Provided*, That the President is directed to cause to be abrogated without unnecessary delay, and in the manner therein provided, all treaties which contravene this provision; and, until so abrogated, this provision shall not apply to goods, wares, and merchandise imported in vessels affected by such treaties.

Mr. JONES. Mr. President, the provision stricken out is one of the most important in this bill. It provides in brief that a discount of 5 per cent on all duties imposed by this act shall be allowed on goods, wares, and merchandise imported in American ships. The purpose of it evidently is to do something to build up the merchant marine of this country, which is now in such a deplorable condition.

PURPOSE OF AMENDMENT.

The purpose of my amendment is to impose a duty of 10 per cent additional upon such goods imported in foreign vessels; that is, in vessels not built in this country or not registered prior to the passage of this act. It will be noted that the provision in the bill does not relate to vessels built in this country at all, but to vessels registered; so that it would apply not only to vessels registered before the passage of the act, but to any vessel registered afterwards, whether built in this country or not.

The House provision is an attempt—a slight one, I grant you, but an honest attempt—to remedy a situation which all patriotic citizens must deplore. It is to be regretted that the Senate committee has stricken out this provision and offered nothing in its place. It is incomprehensible to me that such action should have been taken by them, and I earnestly hope that they will not adhere to such action. This is not a party proposition and should not be made such. I am glad to support action along the lines of the House provision and will vote for that if we can not get something better.

GREAT GROWTH OF FOREIGN TRADE.

Our foreign trade has been increasing with wonderful strides notwithstanding the tariff barrier which our Democratic friends claim we have been maintaining; and while I do not intend to argue this question, the facts conclusively show such a claim to be absolutely unfounded.

Under the Dingley Act our imports in 1898 amounted to $616,049,654 and our exports to $1,231,482,330. In 1909 our imports had increased to $1,311,920,224 and our exports had increased to $1,663,011,104. Our total trade in 1898 was $1,847,531,984, while in 1909 our total trade amounted to $2,974,931,328, or an increase in 11 years in our total foreign trade of $1,127,399,344.

Under the Payne-Aldrich Act in 1913 our import trade amounted to $1,812,978,234, while our export trade amounted to $2,465,884,149. Our total trade in 1913 amounted to $4,278,862,383, or an increase in four years under the Payne-Aldrich bill of $1,303,831,055.

NO NATION CAN EQUAL IT.

We have a right to be proud of the tremendous growth of our foreign trade. No nation in the world's history can equal it, but when we see how it is carried we are filled with shame. Practically all of this great trade is by the sea, over highways which are free to all. We have granted great land subsidies to encourage lines of land transportation, not alone to build up the country, but to enable products to get to market, realizing that returns will be slight if our people must depend upon the markets in the immediate vicinity of production. We seem to be satisfied, however, with getting our products to the seashore and are apparently willing to depend upon foreign ships, foreign peoples, and foreign flags to take our products to the world's markets.

The farmer who depends upon his neighbor to get his crops to market would be considered foolish and no one would be surprised if his grain was not hauled at the proper time or put on the market in bad shape. The nations of the world must indeed laugh in their sleeves at the sorry spectacle presented by Uncle Sam in the transportation of his foreign commerce.

SOME STARTLING FIGURES.

In 1885 our ships carried $194,865,743 of our foreign trade, while foreign ships carried $1,274,384,309 or six times as much. In 1913 our ships carried $378,234,924, while foreign ships carried $3,375,284,022, or nearly ten times the amount carried in our own ships. The percentage of such goods carried in our ships was but 8.7. Since 1885—and I call special attention to this—foreign ships have carried over $50,000,000,000 of our foreign commerce. Estimating the freight at 15 per cent, we have paid them over $7,500,000,000 for getting our products to their markets and supplying our own. Of what benefit is a balance of trade in our favor if we pay out most of it for freight? We should have done at least 50 per cent of our foreign business, and this would have added two or three billions of dollars to our balance of trade and increased wonderfully our prosperity. Hired freight is just as expensive as so much of any other product, and freight saved by our people is freight earned.

CONDITION HUMILIATING, UNPROFITABLE, DANGEROUS.

Not only is this condition of things humiliating and unprofitable, but it is actually dangerous. British ships transport the greater part of our foreign commerce. Suppose England should engage in a war with a great power. Thousands of her ships would be taken for transports and other thousands might be destroyed. Our foreign commerce would be destroyed, and the products we now send abroad would be left on our hands, glutting our markets and bringing upon us industrial ruin and widespread commercial disaster. Farmers and manufacturers would suffer alike, and the laborer and his family would face the wolf of hunger in his home. We are at the very point where Thomas Jefferson, whom I have heard referred to to-night as the patron saint of the Democratic Party, said protective and defensive measures become necessary. He said:

If particular nations grasp at undue shares of our commerce, and, more especially, if they seize on the means of the United States to convert them into aliment for their own strength, and withdraw them entirely from the support of those to whom they belong, defensive and protective measures become necessary on the part of the nation whose marine resources are thus invaded; or it will be disarmed of its defense, its productions will be at the mercy of the nation which has possessed itself exclusively of the means of carrying them, and its politics may be influenced by those who command its commerce.

OUR POLITICS INFLUENCED BY OUR FOREIGN CARRIERS.

Our productions are now almost at the mercy of foreign nations and in a large degree they have influenced our politics. Their influence affects this very bill. Such a condition should no longer be tolerated; at least we should make some attempt to remedy it if we would merit our own self-respect.

NO SHIPS FOR AUXILIARY NAVAL PURPOSES.

We are building the Panama Canal at a cost of nearly $500,000,000, and I have been reliably informed that much of the material used in its construction has been carried there under a foreign flag, and when it is completed the American flag passing through it in the foreign commerce will be a curiosity. A few years ago a great fleet of American battleships sailed from the Atlantic to the Pacific and around the world, but they were accompanied by foreign ships flying foreign flags, carrying the coal necessary to furnish the motive power to take them on their journey. To-day the coal for one naval station on the Pacific is carried in foreign ships. What a spectacle for the nations of the earth! If this one humiliating fact could ring in the ears of every true, patriotic American he would insist that some steps be taken at once by his representatives to prevent its recurrence.

If foreign ships must convoy our fleets in time of peace, what would we do in war, with the ships of neutral nations forbidden to assist us by the law of mtions? Our battleships would be helpless; we would be "disarmed of our defense"; we are disarmed of it now.

OUR COURAGEOUS AND STATESMANLIKE ANCESTORS.

Has this always been our position? It was so at the close of the Revolutionary War, when only 17 per cent of our import trade and 30 per cent of our export trade was in the hands of our own shippers and under our flag. Did the fathers of the Republic accept this condition supinely? Not at all. They knew that the flag in a foreign port on a merchant ship is the ocean's commercial traveler and increases and develops its country's trade. They knew that the lack of a merchant marine was a great source of weakness, humiliating in time of peace,

dangerous in time of war, and a constant menace to commercial stability. They were patriots and men of action and took immediate steps to increase our tonnage in the foreign trade.

The first act passed by the American Congress was the act of July 4, 1789, and section 5 allowed a discount of 10 per cent of the duties provided therein on goods, wares, and merchandise when imported in American-built vessels.

THE EARLY SUCCESSFUL AMERICAN POLICY.

This is exactly in line with the provision inserted in the bill by the House, except that at that time the discount allowed was 10 per cent instead of 5, as provided in the bill, and only to vessels built in the United States. Sixteen days afterwards another act was passed imposing discriminating tonnage taxes, 6 cents per ton on American vessels, 30 cents on American-built vessels owned by foreigners, and 50 cents per ton on foreign-built-and-owned vessels. Another act was passed prohibiting any but American vessels from carrying the American flag.

In 1790 a new law was passed providing for an additional duty of 10 per cent on goods brought into the country in foreign ships.

This is substantially the provision of the amendment which I have proposed. Our fathers found that the act of 1789 was not bringing the most satisfactory returns, and consequently they changed it, and instead of allowing a discount of 10 per cent on goods imported in American ships they added 10 per cent on goods brought in in foreign ships. This provision proved wise, and was renewed from time to time with the approval and at the instance of the founders of the Democratic Party. In 1804 an act of this kind was signed by Thomas Jefferson, the political idol of the Senator from Mississippi. Another was approved by James Madison.

POLICY SHOULD BE READOPTED.

This is the policy which I should like to see adopted by the Senate. I think it is a policy that can well be adopted by our Democratic friends. They can well afford to return to the policy of the founders of their party, from which the results were so immediate and so gratifying and which abundantly proved the wisdom of the measures taken. In 1795 our ships carried 92 per cent of our imports and 88 per cent of our exports. The law of 1790, increasing the duties on all goods, wares, and merchandise imported in foreign ships by 10 per cent, was reenacted from time to time, a law of this kind being passed in 1804 and signed by Thomas Jefferson. Notwithstanding the embargo acts, orders in council, and the harassing of our shipping by England and France, our flag carried 93 per cent of our imports in 1810 and 90 per cent of our exports. In 1815, after the War of 1812, our ships carried 77 per cent of the imports and 71 per cent of our exports, and in 1826 95 per cent of our imports and 89.6 per cent of our exports were carried in our ships, and our flag waved over every sea and greeted the morning sun in every commercial harbor of the world. In 1830 we dropped to 93.6 per cent of the imports and 86.3 per cent of the exports; in 1835, to 90.2 per cent of the imports and 77.3 per cent of the exports; in 1845, to 87.3 per cent of the imports and 75.3 per cent of the exports; in 1850, to 77.3 per cent of the imports and 65.5 per cent of the exports; in 1860, to 63 per cent of the imports and 69.7 per cent of the exports, or a total decrease from 1825 to 1860 of 32.2 per cent in the import trade and 19.5 per cent in the export trade.

ANTE-BELLUM SHIPPING DECLINE.

I submit a table giving the percentages for the first and last years of each five-year period; and while some years the per centum was a little higher than others, there was a general decline, as shown above, and it clearly appears that the decline in our shipping began long before the Civil War. In 1865 our ships carried 27.7 per cent of our total foreign trade and in 1870 35.6 per cent, from which time there was a gradual decline, until now we do but a very little over 8 per cent.

Year.	Imports.	Exports.
1789	17.5	30.0
1795	92.0	88.0
	[1]74.5	[1]58.0
1796	94.0	90.0
1800	91.0	87.0
1801	91.0	87.0
1805	93.0	89.0
1806	93.0	89.0
1810	93.0	90.0
1811	90.0	86.0
1815	77.0	71.0
1816	73.0	68.0
1820	90.0	89.0
1821	92.7	84.9
1825	95.2	89.2
1826	95.0	89.6
1830	93.6	86.3
1831	91.0	80.6
1835	90.2	77.3
1836	90.3	75.4
1840	86.6	79.9
1841	88.4	77.8
1845	87.3	75.8
1846	87.1	76.2
1850	77.8	65.5
1851	75.6	69.8
1855	77.3	73.8
1856	78.1	70.9
1860	63.0	69.7

[1] Gain.

Why is it that our merchant marine is no more? Why was it that from 1826 down to the beginning of the Civil War our share of our carrying trade grew steadily less?

LAWS AND TREATIES THAT DESTROYED OUR SHIPPING.

The answer is plain to me. The legislation of the fathers had been so successful in promoting our shipping trade and industry that our people came to the conclusion that we could command the seas against any competitor, and so in 1815 a treaty was entered into with England reciprocally removing the discriminating duties on goods brought into each country in the ships of the other and similar treaties were made with other countries. These treaties were usually made for a definite time and afterwards renewed to continue in force until abrogated by either party after a year's notice, the right of abrogation being expressly reserved to each party. Our shipping had received such an impetus from the encouragement given by the legislation of the fathers that it more than held its own, and in 1828 Congress passed an act which reads as follows:

THE ACT THAT HAS DESTROYED OUR SHIPPING POWER.

That upon satisfactory evidence being given to the President of the United States, by the Government of any foreign nation, that no discriminating duties of tonnage or impost are imposed or levied in the ports of said nation upon vessels wholly belonging to citizens of the United States, or upon the produce, manufactures, or merchandise imported in the same from the United States, or from any foreign country, the President is hereby authorized to issue his proclamation declaring that the foreign discriminating duties of tonnage and impost within the United States are, and shall be suspended and discontinued so far as respects the vessels of the said foreign nation, and the produce, manufactures, and merchandise imported into the United States in the same from the said foreign nation, or from any other country; the said suspension to take effect from the time of such notification being given to the President of the United States, and to continue so long as the reciprocal exemption of vessels belonging to citizens of the United States and their cargoes, as aforesaid, shall be continued, and no longer.

It will be noted that this simply provides for a suspension of this policy and our right to recur to it is fully recognized.

REPRESENTATIVE UNDERWOOD QUOTED.

This act not only permitted the ships of a nation to bring in the products of that nation, but also the products of all other nations free from discriminating duties. This act was intended to establish reciprocal equality between this Nation and all other nations. We complied with its letter and spirit, but other nations did not, and, as Representative UNDERWOOD, the present leader of the Democratic majority in the House of Representatives—I hope my Democratic friends will note this—said in 1910:

The passage of the bill proved the undoing of the merchant marine and the policy it inaugurated has never been changed.

If other nations who accepted the terms of this legislation had observed the spirit of it, we would, no doubt, have been able to maintain our position of superiority, but they did not.

"Shipping nations," said Mr. UNDERWOOD, "were not honest enough between themselves for the application of free-trade principles in navigation and most of our rivals, while professing to practice a policy of nondiscrimination against American ships, acted unfairly and resorted to some form of ship protection, either by granting subsidies or bounties or by adopting other methods of discrimination against American ships."

That is not a statement from me; it is not a statement from any Republican. It is a statement from the Democratic leader of the House of Representatives and the real author of the pending bill.

WISE POLICY OF THE FATHERS.

Some may contend that it was the use of iron and the Civil War that caused the loss of our merchant marine. They overlook the decline of 32 per cent in the import trade and 19 per cent in the export trade during the period from 1828 to 1860, or prior to the war. The seeds of destruction were sown before the war and before iron ships, and the results began to appear years before. You may say what you will, but the facts are that under the policy of the fathers our shipping trade increased until the act of 1828 was passed, and from that time on that trade gradually and continuously decreased. It may be

foolish in me to trace these results to the act of 1828 and the subsidies and discriminations practiced by Great Britain, but no candid mind can escape from such a conclusion.

HOW BRITISH SHIPPING HAS BEEN PROTECTED.

Great Britain was our greatest rival in the ship-carrying trade. She looked with a jealous eye upon our great fleets of fast merchantmen. It was humiliating to the "Proud Mistress of the Seas" to have her supremacy threatened by her former colonies. The people, statesmen, and rulers of Great Britain had early seen the importance of a merchant fleet and for centuries they had fostered and protected this industry, and it may not be amiss to notice briefly the means she had taken to become the "Mistress of the Seas." It ought to be instructive to us in the present condition of our shipping. In 1381 an act was passed providing:

That for increasing the shipping of England, of late much diminished, none of the King's subjects shall hereafter ship any kind of merchandise, either outward or homeward, but only in ships of the King's subjects, on forfeiture of ships and merchandise, in which ships also the greater part of the crews shall be of the King's subjects.

CROMWELL'S DRASTIC BUT SUCCESSFUL POLICY.

This act was not of the permanent benefit that it was hoped it would be and British shipping languished until 1651. The Dutch were masters of the sea. Their ships carried the world's products from port to port and they arrogantly carried at their mastheads brooms significant of their supremacy. Cromwell became Protector of England, and the action he took and the results are graphically told in the following language by a great student of navigation problems:

When Oliver Cromwell, a trifle more than two and a half centuries ago, had composed the differences that had previously existed in England and had brought about an orderly condition in that turbulent country, he paused for a moment to gaze seaward, and instantly he realized that he had but half completed the work high destiny had imposed upon him. Passing down what were then called "The Narrow Seas," now commonly called the English Channel, were numerous Dutch ships that, too arrogantly for Cromwell's gorge, flaunted at their mastheads a broom heralding to the world the fact that they "swept the seas," because at that time the maritime dominance of the Dutch was unquestioned.

Cromwell, happily for England, was a man of action. He was also a man of indomitable determination. He set about the task of removing the brooms from the mastheads of Dutch ships. It was some task, but Cromwell accomplished it, and he did it so thoroughly that since that time Dutch participation in maritime affairs has been of a minor character. The laws of England, under the guidance of the doughty Protector, were made to decree that any ship entering English ports from any part of the world other than the continent of Europe, if not English, commanded by an Englishman, and with three-fourths of the crew subjects of England, should be subject to forfeiture; and ships other than English, as described, entering England from ports of the continent of Europe should pay double aliens' duties upon whatever merchandise they brought; that no foreign fishing vessels would thereafter be permitted to enter English ports for trade under penalty of forfeiture. The blow was aimed straight at the Dutch and they resented it and went to war, and England whaled the everlasting tar out of them. Then the brooms disappeared from the mastheads of Dutch ships, Dutch maritime supremacy was thereafter referred to in the past tense, and ever since then England has been "the mistress of the seas." It took just 50 years for Raleigh's axiom that whosoever commands the sea commands the trade of the world, and therefore the world itself, to find concrete expression in England's laws, but when it did find such expression England took upon herself all of the dignities and emoluments of world dominance.

Doubtless in those old days there were timid souls who attempted to discourage Cromwell from undertaking such a transformation. Doubtless there were those who told him how well Dutch ships served English needs, and especially how cheaply Dutch ships did English carrying, and that England could not get along without the fish that Dutch fishermen daily brought to their ports. Perhaps there were those who advised Cromwell not to do anything drastic and who pointed out to him that the free-trade methods by which the Dutch had succeeded were the methods England should adopt if it ever expected to succeed upon the sea, that the boundless sea was the common arena of all peoples and all nations upon which coercive and protective methods would be unavailing. And it is not to be doubted that Cromwell was warned of the dire consequences of affronting the Dutch, whose friendship in emergencies might be so timely and so useful to England, and Cromwell's policies were such that he was more liable to make alien enemies than friends. All other deterring suggestions failing, Cromwell must have been told that the time he had selected for his drastic policy was not a good time; that a future time would be a better time to put into effect the English maritime renaissance he proposed, when conditions were more favorable for success.

Unfortunately, history has failed to preserve for us the arguments that may have been used upon Cromwell in opposition to his adoption of an English maritime policy at the time he did adopt it. Perhaps it is sufficient for us to know that he conceived the idea that to beat the Dutch upon the sea he would better adopt a policy somewhat at variance with the one that the Dutch had succeeded under—one that contained no such word as fail. And it is quite likely that once the idea of doing the thing had gripped Cromwell's mind he concluded that too much time had already been lost in going about it, and that no better time than that time was ever likely to arrive, besides which his experiences had doubtless taught him that he could better command the good will of other nations from the vantage point of supremacy, of dominance, than from that of dependence and weakness. To-day England has plenty of friends.

Figuratively speaking, there is not a nation whose ships enter and leave the ports of the United States that do not carry brooms at their mastheads. The trouble with the United States is that it hasn't a Cromwell.

BLAINE ON BRITISH SHIP PROTECTION.

Mr. Blaine, who took a great interest in the protective policy, and in the building up of the merchant marine said, with reference to England's policy:

On many points and in many respects it was far different with Great Britain a hundred years ago. She did not then feel assured that she could bear the competition of continental nations. She was therefore aggressively, even cruelly, protective. She manufactured for herself and for her network of colonies reaching around the globe. Into those colonies no other nation could carry anything. There was no scale of duty upon which other nations could enter a colonial port. What the colonies needed outside of British products could be furnished to them only in British ships.

Referring to the act of Parliament of 1651, which provided that no goods should be imported into England or exported abroad except in vessels belonging to British owners and built by British builders, an English historian says:

The result of that act far transcends the wildest dream of the Lombard and Venetian avarice, or the grandest schemes of Spanish and Portuguese conquest. It not only secured to the people who enacted it the greatest share of the world's carrying trade, but the trade also knew its master, and followed at once with becoming servility.

ACCEPTS THE LETTER AND VIOLATES ITS SPIRIT.

Such had been her policy for centuries. Every nation that has threatened to become a rival has had her marine crushed by threats, subsidies, discriminating regulations, specious diplomacy, or by war. She did not propose to surrender to us until she had exhausted every resource at her command. When we passed the act of 1828 she was not yet prepared to accept it. She feared it would injure her and she did not propose to take advantage of it until it would be a benefit to her, and it was not until 1850 that she took advantage of it. She was then prepared to accept its letter and violate its spirit. She had established her system of subsidies; private agencies, carrying out discriminating rules and regulations greater in effects than acts of Parliament, were in operation, and other discriminations were inaugurated under the operation of which "reciprocal equality" was worse than a farce. These agencies caused the decline of American shipping in the foreign trade before the Civil War and have brought about its practical extinction since the war. Secretary Windom in his speech at the banquet at which he died in 1891, stated clearly and concisely the causes of the destruction of our foreign shipping:

"Reciprocal liberty of commerce" is a high sounding, seductive phrase but the kind of liberty our foreign shipping interest has enjoyed for the past 50 years is the liberty to die under unjust discriminations of the London Lloyd's Register Association, the crushing powers of European treasuries, and the utter neglect and indifference of our own Government.

OUR CUSTOMS COLLECTIONS ABSORBED BY FOREIGN CARRIERS.

With a constantly increasing foreign commerce we have a decreasing merchant marine—excepting, of course, the coastwise trade, which is wisely reserved for our own ships—until it has almost reached the vanishing point. With England carrying the great bulk of our foreign commerce we are at her mercy or dependent upon her continued success. Shall we continue so? By this bill we raise over $300,000,000 by tariff duties and we will pay to foreign shippers about $300,000,000 for getting to market. If we would encourage the building of our own ships we would save much of that by a reduction in freight rates by competition and the remainder would go to our own people. Almost any effort to do this should meet with our approval.

WHAT OUGHT TO BE DONE.

The House provision is an honest attempt to rehabilitate our foreign merchant marine. It goes back to the policy of the first days of the Republic. It is a small step; it don't go far enough; it ought to be strengthened, but if we can get no better we should not reject it. This amendment ought to increase the duties on goods carried in foreign ships instead of reduce them on goods carried in our ships.

It ought to limit this discriminating duty to vessels registered prior to the passage of this act and to vessels built in the United States. Such provisions are included in the amendment which I have offered. Even though we may have vessels flying the American flag, we are not much better off if we are dependent upon foreign ship yards and builders for our ships. The shipbuilding trade should go right along with the ship-carrying trade. It would mean the use of millions of capital, the employment of thousands of laborers, the use of much of our raw material, the establishment of a marine-insurance business of large proportions and many other new lines of business, and above all it would insure stability in both the domestic and foreign trade so far as it depends upon freight facilities, and it would give to us that arm of the national defense which is now so sadly lacking.

"FREE SHIPS" AS THOMAS JEFFERSON DESCRIBED THEM.

Again I desire to quote, for the benefit especially of my friend from Mississippi, from Thomas Jefferson:

For a navigating people to purchase its marine afloat would be a strange speculation, as the marine would always be dependent upon the merchants furnishing them. Placing as a reserve with a foreign nation or in a foreign shipyard, the carpenters, blacksmiths, calkers, sailmakers, and the vessels of a nation, would be a singular commercial combination. We must, therefore, build them for ourselves.

PATRIOTISM, BUSINESS STABILITY, AND NATIONAL DEFENSE.

This is not a party question and should not be treated as such. No caucus action should prevent any Senator from voting to upbuild the merchant marine. It is neither a tariff nor a revenue question, but a question of patriotism, of business stability, and national defense, national pride and glory. England had her free traders and her protectionists, but upon the question of the necessity of building up her merchant marine there was no difference of opinion. Adam Smith said:

VIEWS OF EMINENT FREE TRADERS.

There seems to be, however, two cases in which it will generally be advantageous to lay some burden on foreign, for the protection of domestic, industry. The first is, when some particular industry is necessary for the defense of the country. The defense of Great Britain for example, depends very much upon the number of its sailors and shipping. The act of navigation, therefore, very properly endeavors to give the sailors and shipping of Great Britain the monopoly of the trade of their own country, in some cases by absolute prohibitions, and in others by heavy burdens upon the shipping of foreign countries.

And John Stuart Mill wisely and patriotically said:

The navigation laws were grounded, in theory and profession, on the necessity of keeping up a "nursery of seamen" for the Navy. On this last subject I at once admit that the object is worth the sacrifice, and that a country exposed to invasion by sea, if it can not otherwise have sufficient ships and sailors of its own, to secure the means of manning in an emergency an adequate fleet, is quite right in obtaining those means, even at an economical sacrifice in point of cheapness of transport.

WILL DEMOCRATS REDEEM THEIR PLEDGES?

Our Democratic friends on the other side of this Chamber can well afford to put aside their free-trade ideas when dealing with our shipping and take whatever steps may be deemed necessary and wise to build up this great arm of the national defense. A Democratic House has passed this provision; the fathers of the Republic, Democrats and Federalists, favored it, and your party platform of 1912 declared as follows:

We believe in fostering, by constitutional regulation of commerce, the growth of a merchant marine which shall develop and strengthen the commercial ties which bind us to our sister republics of the south, but without imposing additional burdens upon the people and without bounties or subsidies from the Public Treasury.

This language is very significant when read in connection with the platform declaration of 1908, which is as follows:

We believe in the upbuilding of the American merchant marine without new or additional burdens upon the people and without bounties from the Public Treasury.

Of this last declaration Mr. UNDERWOOD said:

Shall the Representatives in Congress holding allegiance to the Democratic Party keep the faith and redeem the pledge? If so, how can the upbuilding of the American merchant marine be accomplished without new or additional burdens upon the people and without bounties from the Public Treasury? Let us follow in the footsteps of the fathers of our party and we will find the way.

REPRESENTATIVE UNDERWOOD'S APPEAL.

And he continued with this significant language:

Under these circumstances it seems clear to me that the constitutional and effective way to restore the American ships to the seas and carry American commerce in American bottoms is to return to the policy of the fathers and for Congress to adopt again a discriminating duty in favor of American ships.

REPUBLICAN DISCRIMINATING DUTY DECLARATION.

Much to my surprise I find no reference to the merchant marine in the Republican platform of 1912 and none in the Progressive platform. Why this strange omission I do not know. I do know this, however, that the only declaration by the Republican Party for a specific policy—and it then included the Progressives—was in the platform of 1896, which was as follows:

We favor restoring the American policy of discriminating duties for the upbuilding of our merchant marine and the protection of our shipping in the foreign-carrying trade, so that American ships—the product of American labor, employed in American shipyards, sailing under the Stars and Stripes, and manned, officered, and owned by Americans—may regain the carrying of our foreign commerce.

That was a wise and patriotic declaration and I regret to say that that is one of the few promises that we have not kept. This is an opportunity to keep it. Let us not neglect it, and I commend to you the wise and patriotic admonitions of William McKinley in his letter of acceptance urging Republicans to follow this course:

The policy of discriminating duties in favor of our shipping, which prevailed in the early years of our history, should be again promptly adopted by Congress and vigorously supported until our prestige and supremacy on the seas is fully attained. We should no longer contribute directly or indirectly to the maintenance of the colossal marine of foreign countries, but provide an efficient and complete marine of our own. Now that the American Navy is assuming a position commensurate with our importance as a nation—a policy I am glad to observe the Republican platform strongly indorses—we must supplement it with a merchant marine that will give us the advantage in both our coastwise and foreign trade that we ought naturally and properly enjoy. It should be at once a matter of public policy and national pride to repossess this immense and prosperous trade.

SPEAKER CLARK FAVORS DISCRIMINATING DUTIES.

CHAMP CLARK, now the Speaker of the Democratic House, then the minority leader, said:

I do not want to interrupt your speech (HUMPHREY of Washington was speaking), but I will tell you what I do know. That by just exactly that proposition (discriminating duties) we built the second greatest merchant marine there ever was on the high seas, and we can do it again.

NOW IS THE TIME.

Are these men foolish? Are they making senseless declarations? Will you disregard their party cry? The provision which you have stricken out is the product of their labor and the outcome of their patriotism. They are keeping faith with their party promise. The platform of 1912 embodies these ideas and no one can reach any other conclusion than that the framers of that plank had specifically in mind this very method for aiding the merchant marine, and that side of the Chamber can not refuse to follow the House of Representatives without again repudiating a plank in your platform. You can not plead that this is not the time or the bill for the consideration of this question. The House of Representatives has acted, the first tariff bill that was ever passed by this Republic contained a similar provision, the necessities are imperative, and the way has been pointed out by your party in convention assembled as well as by your great leaders in the House of Representatives.

MR. UNDERWOOD AGAIN QUOTED.

According to Mr. UNDERWOOD the House provision would not be a burden upon any one. Your platform makers must have had his words in mind when it was written—I suspect that he wrote your platform in this respect—and I commend them to your careful consideration before you vote to sustain the action of the committee in striking out this provision and offering nothing in its stead. He said:

A reduction of the tariff of 5 per cent on all goods imported into the United States in American ships would give the American shipowner an advantage over the foreign shipowner in payment of duties of from $10,000,000 to $15,000,000 annually. This would not fall as a burden on anyone; it, of course, would enable the American shipowner to charge nearly the amount of the discriminating duty as additional freight rates, but it would not increase the cost of goods imported into this country a dollar over what they are to-day. It would not take a dollar out of the Federal Treasury and, in my judgment, it is the only effective remedy that can be adopted toward building up the merchant marine of our country and keep the profits that are derived from the transportation of our foreign commerce at home instead of paying it to foreign nations.

Mr. President, I believe in the policy of the fathers. I have supported it at every opportunity. Ten or 12 years ago I introduced a bill in the House to carry it into effect and told those advocating a subsidy that they would never get it through and that the only hope of building up our foreign merchant marine was to return to the early policy. I welcome this opportunity to do so and I trust that this bill will not leave this body without some provision in it along these lines.

FOREIGN PROTESTS HELPED KILL AMERICAN SHIPPING LEGISLATION.

I understand that this provision was stricken out upon the protests of the representatives of foreign countries. I hope this is not true. The Senate asked the State Department for copies of protests and representations of such countries regarding this provision.

Mr. WILLIAMS. In order that the RECORD may be kept clear upon that point, I wish to say that, while that was one of the reasons which led us to it, it was the least of all.

Mr. JONES. I am glad to hear that statement from the Senator from Mississippi, although I am sorry that it had any influence whatever.

The act of 1828 is an act of Congress and can be repealed without the advice or consent of any nation on earth, and any suggestion from any nation opposing its repeal should not be permitted by our Government. Any treaty that we may have with any country can be abrogated in the way provided in such treaty, and a declaration to this effect should be placed in this act.

PROTESTS SHOULD BE PUBLISHED.

I have a provision in my amendment, under which the President is directed to terminate in the way specified these treaties. Mr. President, I dare to say that, in answer to the resolution passed by the Senate a few days ago, there was transmitted from the Secretary of State a communication to the effect that he had transmitted to the chairman of the Finance Committee notice of protest made by 10 or 11 foreign governments calling the attention of the State Department to the fact——

Mr. WILLIAMS. Twenty-nine countries.

Mr. JONES. Surely not so many from the letters which I saw.

Mr. WILLIAMS. There were 29 countries with which we had treaties.

Mr. SIMMONS. The Senator from Mississippi did not understand the statement. The Senator from Washington said there were 10 or 11 governments that had written letters to the Secretary of State.

Mr. WILLIAMS. No; they did not all write to the Secretary of State.

Mr. SIMMONS. Not according to the records from the Secretary of State that I can find.

FRANCE THREATENS REPRISALS.

Mr. JONES. I do not think a proper response was made to the Senate's resolution. Copies of all correspondence should have been sent to the Senate and not a mere statement that copies had been sent to the chairman of the Finance Committee, but I do not complain or criticize this action. That will not make any difference now, because all those who were reported practically called the attention of this Government simply to the terms of the treaty, except one, and that was France, with whom we have no treaty of this character, and yet France presented a suggestion to the President and to the Secretary of State that it seems to me our Government ought not to have received. France suggested in effect, in almost so many words, that if we passed this provision they would retaliate. That was used as an argument. That was nothing more nor less than a threat of one nation to another with reference to a matter about which it was legislating, and while I do not criticize the administration, I do not believe suggestions of that kind ought to be received from the Government of any country on the face of the earth, and if handed in they should be returned.

I think it would be well to give the exact language of France, with whom we have no treaty. The French minister submitted a memorandum to the President, in which he says:

This—

Referring to the discrimination clause—

is the equivalent of the ancient "surtaxe de pavillon" long ago abolished everywhere. Article VI of the law of May 19, 1866, which suppressed it in France, states that if, under one form or another such discrimination were resorted to again a countervailing duty would be placed on the ships of the nation thus discriminating.

In a communication to the State Department the French minister says:—

This—

Referring to the discriminating clause—

is tantamount to what was formerly styled the "flag surtax" that was given up because every nation availing itself of it realized there was no advantage in maintaining a system that was bringing inconvenience to all and profit to none. If such a clause were enacted reciprocal measures would unfailingly be taken.

And then suggests that under the French law such action would necessarily be taken.

FRANCE'S PROTEST SHOULD HAVE BEEN RETURNED.

This is a suggestion that should not have been received at all in regard to proposed legislation by an independent country. It was a direct threat to influence us in acting in relation to what we might deem best for our marine interests, and its reception should have been promptly and firmly refused.

IS OUR SOVEREIGNTY ABRIDGED?

No nation has any right to complain at the adoption of any policy we may deem wise and for our own interests so long as treaty provisions are scrupulously regarded. Will other nations retaliate? No. Why? Upon what ground? No nation can complain at the acts of another fully within its rights. We should regard our own interests. We should promote our own welfare. We should provide for our own safety. We should develop our own trade and our own industries, and we should do it without asking the consent or permitting the advice of any other nation. Surely the party which declared in favor of financial action "without waiting for the aid or consent of any other nation" will not hesitate to act freely and independently on this important subject.

COWARDLY FEAR OF RETALIATION.

"But," they say, "other nations will retaliate." That is the cry of weakness, of cowardice. Shall we heed it? I hope not. They can not very well pay subsidies and practice discriminating duties too. Their people can not stand such burdens. We can not meet them with subsidies, we can meet their subsidies with discriminating duties, and it is the only way we can meet them. Senators, let us not be scared by such threats. Let us follow the only constitutional way to restore our merchant marine to the sea. Other nations can not complain any more than we can complain at their system of subsidies. If they want to pass similar legislation they have the right to do it, but with our resources and their necessities there can be but one outcome of such a contest and we will not be the loser.

On that point Capt. Bates, former Commissioner of Navigation, well says:

Some have advanced the idea that termination of these conventions would cause retaliation of some sort. That would be unjustifiable. It would be very uncivil treatment, a manifestation of malice, a breach of the peace. * * * The idea of "retaliation" because we act within our rights to regain our place on the sea—what is it? Nothing but a foolish appeal to cowardice. There will be no "retaliation" until the nations have lost their senses. Tell the world that we Americans dare not by proper legislation recover our lost place as a shipping nation if you will, but there is no brave nation governed by rulers so simple as to believe it.

ARE WE SUPINE OR COURAGEOUS?

Say what you will, we are face to face with the question of wholly abandoning any attempt to rehabilitate our merchant marine. Subsidies are out of the question. The people will not approve them. We have tried to grant them for 20 years, and the opposition is stronger than ever. The people will approve this method. Why not try it? Retaliation will increase their determination to succeed and they will sustain every patriotic effort to secure our proper place in the world's carrying trade. We are at the parting of the ways. We will either rid ourselves of the shackles of the act of 1828 and the treaties under which we have surrendered our rightful place on the seas or we acknowledge our helplessness, endure our shameful humiliation in peace and the inevitable in war, if it ever comes, which God forbid. Our action in this midnight hour will be far-reaching. Let us put fear behind and act boldly in behalf of our own interests, our own rights, and our own people.

HOW FOREIGNERS MONOPOLIZE OUR FOREIGN CARRYING.

Mr. President, there is one other phase of the foreign carrying business that I want to call to your attention briefly. We denounce monopoly most vigorously. We strike at domestic monopolies in the courts and through legislation, and yet we look with apparent indifference upon the foreign monopolies that control almost absolutely the carriage of the world's commerce. A committee of the House of Representatives has investigated this matter and held exhaustive hearings. Its report has not yet been submitted, but it seems to me that the evidence clearly establishes that the foreign trade is absolutely dominated by monopoly. Trusts, combinations, pools, and conferences have been established, and through these rates are controlled, territory distributed, and business apportioned. Certain lines are given a certain territory; a certain number of ships are allotted to certain ports and the number of voyages limited, and they dare not exceed them under severe penalties arbitrarily but effectively enforced; freight rates are fixed and uniform; passenger receipts are pooled and distributed according to definite agreements; shippers are restricted to certain lines and certain ships on penalty of not being able to secure any shipping facilities whatever; rebates are given on condition that shippers will use no other lines; discriminations are practiced toward certain interests, and especially toward great combinations and powerful interests like the Standard Oil, the Steel Trust, and the International Harvester Trust; "fighting ships" are maintained for the sole purpose of crushing and driving out of business any independent lines or ships; and the development of the markets and trade of their respective countries is very naturally favored as against our own. This, Mr. President, comes about under "mutually reciprocal" trade. Let us save ourselves from such "reciprocity."

DEMOCRACY'S GREAT OPPORTUNITY.

Mr. President, here is the opportunity to take a step toward restoring our flag to the seas without imposing any burdens upon our people; here is an opportunity to free ourselves from the grasp of foreign monopolies, which not only charge excessive rates for transportation but also discriminate against us in the world's markets; here is the opportunity to encourage the building of ships, the erection and maintenance of splendid shipbuilding plants of the greatest value in time of war as well as in times of peace, the employment of labor, and the creation of many other lines of business activity; here is the opportunity to safeguard the stability of our domestic as well as our foreign trade; here is an opportunity to reinvigorate that arm of the national defense without which no nation can be really safe and independent; here is an opportunity to resume the place in the world's carrying trade which we so proudly filled when as a small, struggling Nation our ships sailed every sea, unloaded their cargoes in every harbor, and floated the Stars and Stripes under every sky. Adopt this provision and it will not be long until our own ships will carry our own trade in times of peace and be our defense in times of war. Then, indeed, will we be a free and independent Nation and war's dangers will be greatly lessened.

Mr. GALLINGER. Mr. President, I desire to occupy a few moments in the discussion of this important question, and I shall be very brief.

Mr. President, during the past 10 years strenuous efforts have been made by some of us to secure aid to our vanishing merchant marine, either by the payment of a direct subvention from the Treasury or by a substantial increase of the ocean mail pay under the provisions of the act of March 3, 1891. Such efforts have been met by the suggestion from the Democratic Party that the only proper and constitutional way to rehabilitate the American merchant marine was to return to the ancient policy of discriminating duties as it was practiced in the early days of the Republic. I have been driven to the conclusion that under existing conditions that policy can not be made successful at the present time; but notwithstanding I hold that view, I have indulged the hope that the experiment would be tried. With that end in view, I was gratified to find in the bill as it came from the House the following provision:

That a discount of 5 per cent on all duties imposed by this act shall be allowed on such goods, wares, and merchandise as shall be imported in vessels admitted to registration under the laws of the United States.

It seemed that at last the Democratic theory was to be tested, but when the bill was reported to the Senate the paragraph was stricken out. I desire as briefly as may be to call attention to the question of discriminating duties, and also to say a word regarding the other Democratic doctrine of free ships, which under existing legislation has proved to be a total failure.

Mr. President, when the Merchant Marine Commission was created in 1904—composed of five Senators and five Members of the House of Representatives—a majority of the commission favored the doctrine of discriminating duties, but before the investigation ended the commission changed its mind and incorporated in its report its reasons for abandoning that doctrine.

During the investigation strong arguments were presented in favor of returning to the discriminating policy.

On the other hand it was pointed out that this country had entered into 30 or more commercial treaties with foreign countries, which, unless abrogated on notice, forbade the adoption of discriminating duties on our part. It was also argued that if the treaties were abrogated retaliation in connection with our export trade would doubtless result.

The earliest of these treaties now in force is that with Great Britain, concluded July 3, 1815, during the administration of President Madison. It contains (art. 2) the following clause:

The same duties shall be paid on the importation into the United States of any articles the growth, produce, or manufacture of His Britannic Majesty's territories in Europe, whether such importation shall be in vessels of the United States or in British vessels, and the same duties shall be paid on the importation into the ports of His Britannic Majesty's territories in Europe of any article the growth, produce, or manufacture of the United States, whether such importation shall be in British vessels or in vessels of the United States.

It will be observed that the policies of Washington and Jefferson, which operated to the great advantage of American shipping, were changed during the administration of Madison, and that fact is one of the chief stumbling blocks in the way of our legislation to-day.

It may be said in passing that when Great Britain and other foreign nations secured the commercial agreements to which I have alluded, they very cunningly nullified to a large extent their obligations under the agreements by granting subsidies to their vessels engaged in the foreign trade.

It was also pointed out in the report of the Merchant Marine Commission that to make discriminating duties effective the free list would necessarily have to be abolished. This was necessary from the fact that 98 per cent of our imports from Brazil, 96 per cent from Chile, 81 per cent from Colombia, 80 per cent from Venezuela, and 82 per cent from Ecuador were on the free list. In addition to this, 50 per cent of our imports from China, 64 per cent from Japan, and 69 per cent from India were also on the free list.

It was thus evident that unless the free list were abolished discriminating duties would not and could not sufficiently encourage American capitalists to warrant them in building ships to engage in commerce with the Republics south of us and the countries of the Orient.

DISCRIMINATING DUTIES.

Mr. President, in this connection I ask unanimous consent to insert in the RECORD a memorandum filed by the Merchant Marine Commission on the question of discriminating duties.

The PRESIDING OFFICER (Mr. THOMAS in the chair). Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

[From memoranda of the Merchant Marine Commission.]

The historic policy of discriminating duties which the United States maintained in full to 1815 and in part as late as 1828 and even 1849, occupied so large a place in the inquiry of the Merchant Marine Commission that it is well to make at once a frank explanation why a return to this policy at the present time has not seemed wise to a majority of the commission.

It is probable that when the commission was appointed, in 1904, a majority of those Senators and Representatives composing it who had positive views favored another trial of the discriminating duty policy, and believed that that course would be recommended to Congress. Moreover, from the very beginning of the inquiry, powerful arguments for the discriminating duty plan were advanced, especially by the Maritime Association of the Port of New York, the largest shipping trade organization in America. This policy of the fathers of the Republic, as it was well described, was ably advocated not only by many practical shipowners and shipbuilders, but by many manufacturers and merchants—usually, however, in connection with the policy of mail subventions to regular lines, which may be said to have met with almost unanimous support in every section of the country.

TREATIES IN THE WAY.

These arguments had a very great effect upon the commission, but at the same time some very serious objections were disclosed in the radical difference of mercantile conditions between the first half of the nineteenth century and the first decade of the twentieth century. In the first place, there were the 30 commercial treaties with foreign Governments—the very foundation of our modern commercial relations—which prohibit both discriminating custom duties and discriminating tonnage dues. These treaties of course could be abrogated, but notice of this would have to be given a year in advance, and new treaties without a discriminating duty clause negotiated on terms as favorable as before. This, manifestly, would be a difficult though not an impossible undertaking.

THE RISK OF RETALIATION.

Far more serious than the abrogation and renegotiation of 30 commercial treaties would be the almost certain retaliation of foreign Governments. It is true that if they retaliated only against our shipping they could not do much harm, for an American vessel, even direct from the United States, is seldom seen now in European waters. But these foreign Governments would probably shape their retaliation where it would hurt and be effective—against our export trade in general—by discriminating duties on the products of our agriculture and our manufactures.

Indeed, certain important commercial associations of the Central West, while strongly favoring the development of the merchant marine, sent to the commission a formal remonstrance against the adoption of the discriminating duty policy because of the danger of foreign retaliation that would be provoked by it against the export trade of the United States. In this connection the fact is worth considering that in the years from 1789 onward, when the discriminating duty policy was practiced with so much success, the United States imported far more than it exported, so that discriminating duties were applicable to the larger part of our foreign trade, while now the United States exports very much more in both bulk and value than it imports, so that not only would discriminating duties be less effective for the encouragement of American shipping, but foreign retaliation would be far easier and more injurious.

ABOLISHING THE FREE LIST.

But the weightiest of all objections to a return to the discriminating duty plan is neither the treaties nor retaliation, but the fact that in order to apply these duties for the adequate encouragement of the merchant marine, the free list of the tariff, covering almost half of the foreign commodities we purchase and consume, would have to be abolished. It is safe to say that this consideration counted more heavily than any other in bringing the majority of the commission reluctantly to the conclusion that discriminating duties could not now be invoked for the object we all desire—the rehabilitation of the American merchant marine in foreign trade.

NEARLY HALF IN VALUE NOW FREE.

In the fiscal year 1903, 43 per cent, in 1904, 47 per cent, and in 1905, 46 per cent of our entire imports came in free of customs duty. This is in value; in bulk, inasmuch as these free imports were largely foods and raw materials, probably 60 or 70 per cent were free. In other words, unless the free list were abolished, discriminating duties could be applied to the encouragement of not more than 30 or 40 per cent of American shipping engaged in general foreign trade.

On the other hand, if the free list were abolished and these free articles made dutiable, the result would be an increase in the cost of certain foods of the American people and certain crude materials of their manufacturing, for those free articles are, as a rule, noncompetitive products, chiefly from tropical countries, which can not, even under a duty, be produced in the United States. In 1789 and afterwards, when discriminating duties were so successfully applied for the encouragement of our shipping, nearly all imports were dutiable, and such a thing as a free list was scarcely known to our own or any other Government.

THE INDIRECT TRADE.

There are strong political as well as commercial reasons why, if we are to have any American ships at all, we should have them in the trade with our sister republics of this continent and the great neutral markets of Asia. In fact, the specific form in which discriminating duties have been most often and earnestly advocated before the commission has been as applying to the so-called "indirect trade"; that is, not against a British vessel bringing British goods or a German vessel with a cargo from a German port, but against European craft that seek to invade our carrying trade with Brazil or China or other neutral nations. It has been urged that discriminating duties in this indirect trade will not be so likely to provoke Europen retaliation as if the duties were imposed against British or German ships bringing goods of their own country. And it has been urged also that discrimination in the indirect trade, while arousing the least possible resentment, would give our vessels entire control of our trade with the nonshipowning peoples of South America and the Orient.

A LARGER PART FREE.

Unfortunately, however, it is this very trade with South America and the Orient that can not be gained for American ships unless the free list is abolished, for most of the products of those southern and eastern countries are now and long have been nondutiable in the ports of the United States. Thus, when the commission looked into this question it found that 98 per cent of our imports from Brazil, 96 per cent from Chile, 81 per cent from Colombia, 80 per cent from Venezuela, 82 per cent from Ecuador, or 82 per cent of all our imports from South America and 94 per cent from Central America were absolutely free of duty. In our import trade with China 50 per cent, with Japan

64 per cent, and with India 69 per cent are free of duty. Unless the free list were abolished discriminating duties could not adequately encourage American shipping to engage more largely in commerce with the republics to the south of us and the great markets of the Orient.

If conditions were everywhere as they are with our trade in Europe, where the free imports represent 28 per cent, or our trade with Cuba, whence we import chiefly sugar and tobacco and only 17 per cent of our purchases are on the free list, discrimining duties could be effectively applied for aid to American shipping. But the long series of public hearings before the commission has made it unmistakable that the American people desire American ships, not only in our Cuban trade, but also and especially in our trade with South America and the Far East. Discriminating duties would not give us American ships in these important trades unless the free list were abolished, and here is the most urgent of the several reasons why the discriminating-duty policy has not been recommeded by the majority of the commission. The plan of mail and other subventions embodied in the bill of the commission was finally adopted because it is both more equitable and more effective.

Mr. GALLINGER. Mr. President, a word in reference to the condition of American shipping to-day, and I am done.

All told, according to the list for 1912, published by the Commissioner of Navigation, there are now only between 50 and 60 American steamships regularly engaged in the actual foreign trade of the United States—the trade carried on over the deep sea.

These include 6 steamships in the trans-Atlantic trade, the St. Louis, St. Paul, Philadelphia, and New York, of the American Line, from New York to France and England, carrying the mails under the law of 1891, and the Finland and Kroonland, of the Red Star Line, from New York to Belgium.

These American steamships in the foreign trade include also 10 steamships engaged in commerce across the Pacific Ocean—the Mongolia, Manchuria, Korea, Siberia, China, and Aztec, of the Pacific Mail Line, from San Francisco to Japan and China; the Minnesota, of the Great Northern Line, from Seattle to Japan and China; and the reestablished Oceanic Line from San Francisco to Australia—3 steamships, the Sonoma, Ventura, and one other. The Oceanic Line operates under the ocean mail law of 1891, and it is understood that it receives liberal mail compensation also from the Australian Government for the sake of a direct line to the United States.

Besides these 16 American steamers in transoceanic trade, other ships run from our Atlantic coast to the West Indies, Mexico, the Isthmus of Panama, and Venezuela, and from the Pacific coast to Mexico and the Isthmus of Panama. The American lines engaged in this trade are the Ward Line from New York to Cuba and Mexico, the Red D Line from New York to Venezuela, the Admiral Line from Boston or Philadelphia to Jamaica, the Clyde Line from New York to Haiti and San Domingo, and the Panama Railroad Line from New York to Colon. On the Pacific the service from San Francisco to Mexico and the Isthmus of Panama is performed by the smaller ships of the Pacific Mail Co. The Ward Line, Red D Line, and Admiral Line are operated under the ocean mail act of 1891.

Mr. POINDEXTER. Mr. President——

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

Mr. GALLINGER. I yield.

Mr. POINDEXTER. I should like to ask a question of the Senator from New Hampshire, coming, as he does, from that section of the country which furnished so much enterprise and met with such great success in the earlier days of the Republic in the merchant marine which brought credit and distinction to the United States. I do not know whether this is an appropriate time in his argument to ask the question, but I will say that I am in perfect harmony and sympathy with the Senator from New Hampshire on this matter. I should like to ask his opinion as to the cause of the decline in that great merchant marine which we once enjoyed? It is a question which we have got to determine and settle sooner or later, and it occurs to me that the opinion of the Senator from New Hampshire as to the cause of our present state in that regard would be very valuable.

Mr. GALLINGER. Mr. President, I will answer in a very few words. In the first place, commercial agreements with the other countries of the world in which we entered into reciprocity with them and which were followed on the part of the other nations by the granting of subsidies had something to do with it. Then, again, the Civil War, it will be recalled, wiped out a very considerable portion of our merchant marine from the ocean. Following that came the construction of steel ships. We exceeded all the nations of the world in the building of wooden ships. Our clipper ships were the glory not only of our country but of all the countries of the world. When steamships came into use, however, England excelled us in being able to construct such ships at a less cost than we could, and in that way gained a very great advantage over us. These are the three chief reasons. I will call attention in a moment—and I am going to be very brief—to the reason why we can not to-day compete with the other nations in the construction and operation of ships overseas.

In the fiscal year 1912 only 9.4 per cent of the imports and exports of this country were carried in American ships, as compared with 88.7 per cent in 1821 and 66.5 per cent in 1860.

Of course, that percentage was very rapidly reduced when our ships were destroyed on the ocean by the ships of the Confederacy, and there was a very rapid decline in our American merchant marine in consequence.

The Panama Canal act of August, 1912, provided for the free admission to American registry of foreign-built vessels owned by American citizens and engaged in the foreign trade—in other words, the free-ship policy.

More than a year has elapsed since the passage of that act. Not one ship of any kind has been added to American registry under the provision of this free-ship clause, which has proved an absolute failure.

It will be remembered, Mr. President, that in every debate we have had during the last 10 years on the question of the American merchant marine, it has been insisted, particularly by a leading Democratic Senator, that if we would adopt the free-ship policy it would go very far toward solving the problem that we are trying to solve. We adopted the free-ship policy one year ago in the Panama Canal act, but, as I have suggested, not a single ship has been added to our merchant marine by purchase from abroad.

When the Merchant Marine Commission in 1904–5 formally asked—and this will answer to some extent the question propounded by the Senator from Washington—the principal American companies owning steamships under foreign flags if they would bring their vessels under American registry if a free-ship provision were enacted they all replied, without exception, that they would not, because of the higher wages that would have to be paid under the American flag, and the certain loss of foreign bounties and subventions. Now that these companies have been given the opportunity not one of them has availed itself of the privilege—showing that their original statements to the Merchant Marine Commission were wholly sincere and conclusive.

The Merchant Marine Commission also put up the proposition to leading capitalists in Boston and New York whether, if the free-ship legislation were enacted, they would invest money in the building of American ships for the foreign trade, and the answer was promptly made that they would not do so because of the increased cost of running American vessels as compared to foreign vessels, and the further fact that foreign governments subsidize their ships while this Government does not grant direct subsidies. It will thus be seen that the Democratic doctrine of free ships has been completely exploded, and that a revival of the ancient system of discriminating duties is, under existing conditions, an utter impossibility.

The great industry of American shipping is under the blight of free trade, and the result is that the ships of Great Britain, Germany, France, Holland, Japan, and other foreign countries are transporting our over-seas commerce at an estimated cost to our people of between two hundred and three hundred million dollars annually.

Mr. President, this will not always continue to be so. The time will come when the people of this country will rise in their might and in some way break down the arrogant European shipping trusts and combinations and again put the American flag on American ships to traverse the seas of the world. Let us hope that that day is not far distant.

Mr. President, from what I have said it will be observed that the Merchant Marine Commission, of which I chanced to be chairman, went very thoroughly into the matter of discriminating duties. While they were conscious of the fact that under the early administrations, when almost everything was on the dutiable list at a low rate of duty, as I remember, it was a success, in view of the fact that to-day the free list is so far extended in the countries with which we must extend our trade if we extend it at all, and in view of the further fact that we have 30 or more commercial agreements that are in the way of applying this principle unless they are abrogated, the conclusion was reached that it was not wise to undertake to solve the problem of the American merchant marine by returning to the discriminating-duty principle.

For that reason I feel constrained to vote against the amendment the Senator from Washington [Mr. JONES] has offered, much as I regret to do so, because I want to try any reasonable method that can be thought of that will once more place our flag on the oceans of the world.

Mr. WILLIAMS. Mr. President, it having been agreed to take a vote on the bill to-morrow afternoon at 4 o'clock, I do

not feel as much scruple as I have hitherto felt about taking up a little of the time of the Senate.

I was glad to hear what the Senator from New Hampshire [Mr. GALLINGER] said, and I am glad he is opposed to this amendment. Gratiano was accused by the Merchant of Venice of uttering more infinite nonsense than any man in all Venice. Gratiano never uttered as much infinite nonsense as has been uttered upon the question of the restoration of the American merchant marine.

It is true that to some extent the committee was persuaded by the fact that the United States had 29 treaties with 29 different countries, pledging its word of honor to a certain policy with regard to equality of admission of ships and equality of treatment of imports coming in foreign ships with imports coming in our own. We thought we should be showing very scant courtesy to these 29 nations if, without the notice of abrogation provided in these treaties, we merely repealed the treaties by an act of Congress. But that was not our main purpose at all, because we could have reported an amendment to the bill providing for notice of abrogation.

The main reason was this: We knew, everybody knew, anybody of common sense might know, that if we said to France, to Germany, to Great Britain, to the balance of the world, "We are going to reduce our import duties 5 per cent when articles come to our country in our bottoms," they would have said, "Well, we will do the same thing when your exports come to our country in our bottoms as our imports." In other words, there would have been an endless retaliation, which would have amounted to no good to anybody.

Mr. JONES. Mr. President, will the Senator permit a question?

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

Mr. WILLIAMS. Certainly.

Mr. JONES. Why does the Senator assume that all of the countries would impose retaliatory duties upon us if we should do this, when we do not meet their bounties and subsidies ourselves?

Mr. WILLIAMS. I assume it because I assume they have common sense, and are actuated by common human motives.

Mr. JONES. Does the Senator assume, then, that our people have not common sense, and are not actuated by human motives, because we do not meet their subsidies with subsidies?

Mr. WILLIAMS. Oh, Mr. President, here comes a country that says: "I propose to build three dreadnoughts to fight." Here comes another country that says: "Well, if you do, we will build three dreadnoughts." Here is another country that says: "If both of you do, we will build three dreadnoughts." The first country that starts it starts the retaliation, and the rest of them take it up. If we say to Germany: "We are going to give a 5 per cent differential in favor of imports in American bottoms," it is absurd to contend that Germany will not say: "We will give 5 per cent differential in favor of the imports into our country from America in German bottoms."

Mr. LODGE Mr. President, will the Senator from Mississippi yield to me?

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Massachusetts?

Mr. WILLIAMS. I do.

Mr. LODGE. They have a statute in France which requires the imposition of retaliatory duties in case of any such duty as this. It would go on automatically in France.

Mr. WILLIAMS. Automatically; and, by the way, the Senator from Washington said that France had threatened us. The French ambassador merely called our attention to the French law.

Mr. JONES. No, Mr. President; he went further than that.

Mr. WILLIAMS. I beg the pardon of the Senator.

Mr. JONES. I have here a copy——

Mr. WILLIAMS. The French ambassador merely served notice upon our State Department that under that law the French nation would be compelled to pursue that policy.

Mr. JONES. He went further than that, and he stated that they would retaliate. Then he went on to say that they would have to do it under the act.

Mr. WILLIAMS. Why, of course.

Mr. JONES. But he made the distinct statement——

Mr. SIMMONS and Mr. STONE rose.

Mr. WILLIAMS. I decline to yield to the Senator from Missouri, and I decline to yield to the Senator from North Carolina, because I will not take many minutes. By the way, I am not consuming the time of the Senate, because we have a time set to vote, anyway; but this matter ought to be settled right now.

Nobody would be better off if all the nations of the world began to pass laws to discriminate in favor of their own ships in the way of reduced duties on imports when brought in their own bottoms.

The Senator from Washington says the act of 1828 destroyed the merchant marine. No more absurd statement was ever uttered.

Mr. JONES. Mr. President——

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

Mr. WILLIAMS. I do not yield now, because I wish to get through if I can. If I understood the Senator, he said it was the act of 1828 that was the initiative of the destruction of the American merchant marine.

Mr. JONES. I quoted Representative UNDERWOOD to that effect.

Mr. WILLIAMS. I do not care who said it; the Senator stood sponsor for it.

Mr. JONES. Yes; I did.

Mr. WILLIAMS. If the gentleman from Alabama, in the House, said that, and the Senator from Washington repeated it, the gentleman from Alabama was not guilty of much more lack of knowledge concerning the subject than the Senator from Washington.

The truth is that prior to 1828 the sails of our ships whitened the seas and subsequent to 1828 the sails of our ships whitened the seas. When we were a colony of Great Britain the ships of America sailed to the West Indies and sailed to China. While we were a colony of Great Britain we had no such law upon the statute books. We did not have that law until some time afterwards, when this Government was founded. It was passed under George Washington's administration and renewed under Thomas Jefferson.

That act is frequently referred to as the reason of the prosperity of the American merchant marine; but in the thirties and in the forties and in the fifties, after the act of 1820, there was not a sea anywhere—the South Sea, the India Sea, the China Sea, the Gulf of Mexico, the Atlantic, the Pacific, the North Atlantic, where the whale ships went—where American ships were not to be found. American ships went everywhere, and they went everywhere because we had the cheapest ship timber in the world, and the best. That was not all. It was because we had at that time the most efficient shipbuilders in the world.

One of the reasons why Great Britain repealed her navigation act and permitted our ships to come in free was because she wanted to get the models of the Baltimore clippers and the three-masters from New England. She did imitate the Baltimore clippers, their hulls, and all about them, and she imitated the three-masted schooners from New England in her own shipyards, and still she could not vie with us, because we had not only the most efficient shipbuilders, but the magnificent live-oak ship timber all over this country.

Mr. POINDEXTER. Mr. President——

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

Mr. WILLIAMS. I yield.

Mr. POINDEXTER. I only want to ask one question of the Senator from Mississippi, because I have asked substantially the same question of the Senator from New Hampshire, and the two Senators represent the two opposite sections of the country. I should like to get the opinion of those two sections, represented by Senators who are typically representative of them, upon this great question.

I should like to have the opinion of the Senator from Mississippi, if he is willing to express it now, as to the cause of the decline of American shipping. It is a question which forces itself upon the consideration of this country.

Mr. WILLIAMS. I am just approaching that question; but before I finish the other thought I want to say that upon the Gulf coast the United States Government had reserved I do not know how many townships of land filled with live-oak ship timber, for shipbuilding purposes.

Now I will come to the question asked by the Senator from Washington. The Civil War broke out. The Confederacy armed the *Florida*, the *Seminole*, and the *Alabama*. They were not fighting ships. They were ships of commerce. The Confederacy had no navy. All she could do was to send out privateers and naval ships that were commerce hunters, destroying the commerce of the United States. The shipowners of New England had to change the registry of their ships. They changed them to British and French registries. A great many of them were destroyed. Just about that time it was discovered that you could make a ship out of iron, and it would float. So

the *Virginia*, which had been the *Merrimac*, was clothed with railroad iron, and then that little cockleshell of a cheese box came down, and they had their fight, and after that time the shipbuilding business was revolutionized.

They first began to build iron ships and then they began to build steel ships, and the positions as between us and Great Britain were reversed. Up to that time we had had the cheapest shipbuilding material, which was wood, and live oak at that, the best in the world; but the shipbuilders then had to go to the iron works, and they began to build ships of iron and later on of steel. Great Britain at that time produced iron and steel at one-half in the one case and one-third in the other case, the price at which we could produce them. So naturally the ships began to be built on the Clyde and wherever else in Great Britain shipyards were located, and the Confederate cruisers having destroyed the United States merchant marine, it never was rebuilt.

That is the plain historical story, and there is nothing else to it; and I believe that is about all there is to be said upon the question.

Mr. SIMMONS. Mr. President, I ask that this matter go over until to-morrow and that the Secretary read the next reserved amendment.

The SECRETARY. The next reservation is that made by the Senator from Kansas [Mr. BRISTOW] of all of the amendments embraced in Schedule E, the sugar schedule, beginning on page 52 and ending on page 54. The first amendment in that schedule is on page 53, the proviso in paragraph 179.

Mr. BRISTOW. Mr. President, I have reserved the amendments in Schedule E; but to-night we have had a vote on the motion of the Senator from Louisiana [Mr. RANSDELL] to strike out the three-year limitation, which would leave the duty as provided in the bill a continuing duty. That motion was voted down. I can not hope to get any larger vote for the amendment I offered in Committee of the Whole, and I see no occasion for burdening the Senate with another roll call on that amendment.

For that reason, the Senate having decided by a vote to continue the duties provided in this bill for three years only, I take it for granted they would refuse upon another roll call to adopt the amendment which I propose. Having had one roll call on the matter, I shall not ask for any vote upon those amendments.

The VICE PRESIDENT. The schedule, then, will stand as agreed to in the Committee of the Whole.

The SECRETARY. The next paragraph reserved is on page 55, paragraph 188. The Senate in Committee of the Whole agreed to strike out the paragraph, which reads as follows:

188. Cattle, 10 per cent ad valorem.

Mr. BRISTOW. On those agricultural paragraphs I shall want roll calls. We have not a quorum here to-night. I think the Senator from North Dakota [Mr. MCCUMBER] feels just as I do about it.

Mr. SIMMONS. Do I understand the Senator from Kansas as saying he will want a roll call on each of the amendments he reserved, beginning on page 55?

Mr. BRISTOW. I shall want roll calls on those relating to wheat and agricultural products when we get to them.

Mr. SIMMONS. Does that go down to page 158?

Mr. BRISTOW. That takes in all the reservations; yes.

Mr. SIMMONS. It starts with page 55?

Mr. BRISTOW. Yes; it starts with paragraph 188 and goes to paragraph 652. It takes in those paragraphs. I shall also want roll calls on the income-tax amendments which I proposed.

Mr. SIMMONS. What I desire to inquire of the Senator is this: The last three are paragraphs 548, 646, and 652——

Mr. BRISTOW. Those are agricultural products that are placed on the free list, and they connect up with the agricultural schedule.

Mr. SIMMONS. The Senator wishes a roll call on each of those?

Mr. BRISTOW. I may not on all of them, but I shall on some of them.

Mr. SIMMONS. Then, on page 165, subdivisions 1 and 2, section 2; does the Senator desire a roll call on those?

Mr. BRISTOW. Yes; I shall desire roll calls on those. I wish to say to the Senator that I am not going to take any time of any consequence to discuss these amendments.

The SECRETARY. On page 207, subdivision O, was also reserved by the Senator from Kansas [Mr. BRISTOW]. It reads as follows:

O. That for the purpose of carrying into effect the provisions of section 2 of this act and to pay the expenses of assessing and collecting the income tax therein imposed, etc.

Mr. BRISTOW. That relates to the anticivil-service provision. We expect to have a roll call on that, too.

Mr. SIMMONS. Yes, Mr. President. I will state that I reserved that same section, and my reservation will go over if the Senator desires his to go over. Then we reach the next, on page 19, reserved by the Senator from Connecticut [Mr. BRANDEGEE].

The SECRETARY. The committee amendment in line 4, page 19.

Mr. BRANDEGEE. I said that I would not inflict any remarks upon the Senate upon the amendments that I reserved, and that I would ask, however, to print in the RECORD, in connection with the amendment, a statement made by the constituent of mine at whose instance I offered the amendment. I am willing that the amendments should be submitted in the order in which they were reserved and take the vote.

The SECRETARY. On page 19, lines 4 and 5, the Senate, as in Committee of the Whole, agreed to strike out the paragraph, as follows:

74. Roman, Portland, and other hydraulic cement, 5 per cent ad valorem.

The VICE PRESIDENT. The question is on concurring in the amendment.

The amendment was concurred in.

The SECRETARY. On page 36, line 9, bicycles, and so forth, not including tires. The Senate, as in Committee of the Whole, agreed to strike out "40" and in lieu to insert "25" before "per cent."

The VICE PRESIDENT. The question is on concurring in the amendment.

The amendment was concurred in.

The SECRETARY. On page 41, line 21, there is no committee amendment at that point. It relates to screws, commonly called wood screws.

Mr. BRANDEGEE. The amendment I gave notice of was an amendment to the text of the bill. If the Senator is willing, I will submit it now and get it out of the way, and we will not have to consider it to-morrow.

Mr. SIMMONS. Yes, the Senator can submit it now.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 41, line 21, after the words "ad valorem," at the end of the paragraph, insert a semicolon and the words "locks and builders' hardware, 35 per cent ad valorem."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was rejected.

The SECRETARY. The next amendment reserved by the Senator from Connecticut [Mr. BRANDEGEE] is on page 97, line 10, relating to sheathing paper, pulpboard in rolls, not laminated, and so forth, 5 per cent ad valorem.

Mr. BRANDEGEE. The amendment I submitted was to strike out those words.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Connecticut.

The amendment was rejected.

The SECRETARY. The next amendment reserved is the committee amendment to paragraph 331 and also in line 2, on page 99, the rate is made 30 per cent ad valorem. The paragraph relates to papers commonly known as copying paper, and so forth.

Mr. BRANDEGEE. I move to make the rate 35 per cent ad valorem.

The SECRETARY. It is proposed to strike out "30" and insert "35."

The amendment was rejected.

The SECRETARY. On page 144——

Mr. BRANDEGEE. Before that I offer an amendment to come in on page 101.

The SECRETARY. On page 101, paragraph 333, the committee amendment has been already agreed to.

Mr. BRANDEGEE. That was agreed to with the agreement of the committee that they would consider the question I raised and that I might offer an amendment to it if the committee did not report accordingly. The Senator from New Jersey [Mr. HUGHES], I think, had it in charge.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. In line 25, strike out the word "gelatin" and the comma; and on page 103, line 14, after the word "pound," insert "articles composed wholly or of chief value of paper printed by the photogelatin process and not specially provided for in this act, 3 cents per pound and 25 per cent ad valorem."

Mr. BRANDEGEE. I think I was mistaken in saying that the Senator from New Jersey had charge of that paragraph.

It was the Senator from Maine [Mr. JOHNSON], who was on the floor a minute ago. I will simply say that the effect of this amendment is to restore the present provision of the law as to the duty on photogelatin printed matter. I am willing to take a vote on the question.

Mr. SIMMONS. Let us have a vote, Mr. President.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Connecticut.

The amendment was rejected.

The SECRETARY. On page 104, line 2, in the text of the bill as passed by the House, writing, letter, note, drawing, handmade paper, and so forth, embossed, printed, lined, or decorated in any manner, 25 per cent ad valorem.

Mr. BRANDEGEE. I move, in line 2, to strike out "25" and insert "45."

The amendment was rejected.

The SECRETARY. On page 109, line 5, firecrackers of all kinds, 6 cents per pound.

Mr. BRANDEGEE. I move to strike out "6" and insert "8."

The SECRETARY. On line 5 strike out "6" and in lieu insert "8."

The amendment was rejected.

The SECRETARY. On page 124, line 15, which relates to agricultural implements. Line 15 reads "including repair parts."

Mr. BRANDEGEE. I will send to the desk the amendment which I offer.

Mr. SIMMONS. Let us have a vote, Mr. President.

The VICE PRESIDENT. The amendment proposed by the Senator from Connecticut will be stated.

The SECRETARY. On page 124, line 15, after the word "parts," strike out the period and insert:

When imported from any country, dependency, or other subdivision of government which imposes no duty on such articles imported from the United States.

The amendment was rejected.

The SECRETARY. The senior Senator from New Hampshire [Mr. GALLINGER] reserved, on page 40, paragraph 137, needles for knitting or sewing machines, latch needles and so forth.

Mr. GALLINGER. I will address an inquiry to the Senator from North Carolina, if he will honor me with his attention.

Mr. SIMMONS. Yes; I am listening.

Mr. GALLINGER. I called attention the other day to the fact that latch needles have always heretofore borne a heavier rate of duty than the other classes of needles, and inquired of the Senator if he and his associates on the committee would take into consideration the propriety of striking out "latch needles," in lines 7 and 8, on page 40, and inserting after "ad valorem," in line 12, "latch needles, 30 per cent ad valorem."

Mr. SIMMONS. Mr. President, I am forced to say to the Senator that we were not able to meet his views with reference to that matter.

Mr. GALLINGER. I am very sorry, Mr. President, and am ready to have it voted on.

The VICE PRESIDENT. The amendment will be stated.

Mr. GALLINGER. I move as an amendment to strike out "latch needles" in lines 7 and 8, page 40, and to insert after the words "ad valorem," in line 12, "latch needles, 30 per cent ad valorem."

The SECRETARY. On page 40, lines 7 and 8, strike out the words "latch needles" and the comma, and after the words "ad valorem" and the semicolon, in line 12, insert "latch needles, 30 per cent ad valorem."

The amendment was rejected.

The VICE PRESIDENT. The paragraph is now concurred in in the Senate.

The SECRETARY. On page 117, paragraph 376, "harness, saddles, saddlery in sets or in parts, 20 per cent ad valorem," was stricken out by the committee from the House text and the action was agreed to as in Committee of the Whole.

Mr. GALLINGER. Mr. President, I address myself now to the Senator from New Jersey [Mr. HUGHES], if the Senator will give me his kind attention. This matter was discussed by the Senator from Connecticut and myself a few days ago. The Senator from New Jersey very kindly suggested that he would give it further consideration and call it to the attention of his colleagues on the committee. What we desire is that saddlery hardware shall be taken from the leather provision and inserted in the metals and made dutiable at 20 per cent, as the House made not only that but other articles. I will ask the Senator from New Jersey if he feels that that can be conceded?

Mr. HUGHES. My understanding of the matter was that I observed some negotiations were going on in the Chamber at the time and perhaps I misunderstood the purport of them, but my notion of it was that whatever was to be done was to be attempted in conference.

Mr. GALLINGER. Mr. President, that, I think, was the suggestion which was made. I am ready to have the paragraph voted on and take my chances in conference to get what I have asked. The question will be upon the committee amendment.

The VICE PRESIDENT. The question is on concurring in the amendment made as in Committee of the Whole striking out paragraph 376.

The amendment was concurred in.

The SECRETARY. The next amendment reserved is on page 141, paragraph 534, striking out "all leather not specially provided for in this section and leather board or compressed leather," and so forth, and inserting.

Mr. GALLINGER. That involves the same question, and I am ready to have a vote on it.

The VICE PRESIDENT. The question is on concurring in the amendment agreeing to the paragraph as amended as in Committee of the Whole.

The amendment was concurred in.

The SECRETARY. The Senator from South Dakota [Mr. STERLING] reserves the paragraph in the House text on page 169. There is an amendment at that point.

Mr. STERLING. I should like to have that go over until tomorrow.

Mr. SIMMONS. Does the Senator desire a yea-and-nay vote on that amendment?

Mr. STERLING. I hardly think so; not on the first one.

Mr. SIMMONS. But the Senator desires to have it go over?

Mr. STERLING. Yes.

Mr. SIMMONS. Very well. Then there is paragraph O.

Mr. STERLING. The amendment to paragraph O is already covered by the amendment offered by the Senator from New Hampshire, and he has asked that it go over.

Mr. SIMMONS. The Senator from South Dakota desires to have that go over also?

Mr. STERLING. Yes sir.

Mr. SIMMONS. Very well.

The SECRETARY. On page 113, the Senator from Utah [Mr. SMOOT] reserved paragraph 367.

Mr. SMOOT. That was voted upon this morning.

Mr. SIMMONS. Yes; I have not that on my list. I suppose it was disposed of this morning.

The SECRETARY. The Senator from Colorado [Mr. THOMAS] reserved, on page 250, subdivision or subsection B.

Mr. THOMAS. I offer an amendment to subsection B beginning at the end of the subsection.

The SECRETARY. On page 250, line 20, after the word "same," insert a comma and the words "except in so far as paragraph 175, Schedule E, of section 1 thereof, may be determined to be in conflict with the proviso to article 8 of said treaty."

Mr. SMOOT. Did we not agree to that the other day?

Mr. THOMAS. I can not find it in the RECORD.

Mr. SMOOT. I believe it was agreed to the other day.

Mr. THOMAS. I presented it, but I can find no mention of it in the CONGRESSIONAL RECORD.

The VICE PRESIDENT. It was agreed to as in Committee of the Whole. The question is on concurring in the amendment.

Mr. HUGHES. Mr. President, a parliamentary inquiry. Where does it appear in the printed text?

The SECRETARY. After the word "same," in line 20, page 250.

Mr. HUGHES. It does not appear here.

Mr. SIMMONS. It does not appear in the old print.

The VICE PRESIDENT. It would not appear in the old print. It would be an amendment. The question is on concurring in the amendment.

Mr. THOMAS. It is in the print of yesterday, and no action is required.

The VICE PRESIDENT. The amendment will be concurred in.

The SECRETARY. The Senator from North Dakota [Mr. MCCUMBER] reserved paragraph 646, page 155, relating to wheat flour.

Mr. MCCUMBER. I ask that that may go over with the other amendments to the agricultural schedule referred to by the Senator from Kansas.

Mr. SIMMONS. That course is satisfactory.

The SECRETARY. The only other reservation is by the Senator from New York [Mr. ROOT], page 172, subdivision or subsection D.

Mr. SMOOT. I should like to ask the Senator from North Carolina that that go over.

Mr. SIMMONS. If the Senator desires it, I have no objection.

Mr. President, I have an amendment that I wish to offer, on page 284, at the end of line 2, to be known as subsection 2. I will not offer it to-night if it is necessary to read the amendment, because it is rather lengthy. I will explain the amendment and that will be satisfactory.

Mr. GALLINGER. On what page is it?

Mr. SIMMONS. I want to offer it at page 284, at the end of line 2.

The VICE PRESIDENT. There is no such page.

Mr. GALLINGER. There are not so many pages in the print.

Mr. SIMMONS. Then I have the wrong print.

The SECRETARY. Paragraph N, page 267.

Mr. SIMMONS. Yes; it is subsection 2, paragraph N. It is to come in at the end of subsection N, page 284 of the last print.

The VICE PRESIDENT. There is only one way for the Secretary to keep track of the amendments, and that is by using the former print.

Mr. SIMMONS. I will ask the Secretary what is the page in the old print that he is using?

The SECRETARY. On page 267 is subsection N.

Mr. SIMMONS. At the end of subsection N, page 267, I wish to insert subsection 2.

The SECRETARY. Subsection N begins with the words "That the works of manufacturers engaged in smelting or refining," and so forth.

Mr. SIMMONS. That is the one. At the end of that subsection I wish to insert as subsection 2 an amendment.

Mr. POINDEXTER. On what page is that of the last print?

Mr. SIMMONS. It is page 284 of the last print.

Mr. HUGHES. It is page 267 of the old print.

Mr. THOMAS. And of the last print 284.

Mr. SIMMONS. Mr. President, this is an amendment in the nature of a substitute for an amendment offered by the Senator from Oregon [Mr. LANE]. The amendment offered by the Senator from Oregon was submitted to the department and has the approval of the Commisioner of Internal Revenue with the amendment I now suggest.

The purpose of the amendment is to remove certain restrictions imposed under the present law on the manufacture of denatured alcohol, so as to make it possible for the farmers of this country to manufacture that article at a reasonable cost. At present it has been ascertained by experiments made by the Department of Agriculture that it is impossible to make this product with a plant costing less than about $12,500, because it is required that the spirits be raised, in the first instance, to a proof of 180, which is impossible in a small distillery such as would be economical for use on the farm.

The only object of this amendment is to remove that and some other restrictions which have interfered with the manufacture of this product. If there is objection to it, I will wait until to-morrow, when the explanation can be made more fully than I care to make it at this time.

Mr. GALLINGER. It occurs to me that this is an opportune time to pass it.

Mr. SIMMONS. I should like very much to get it out of the way.

Mr. GALLINGER. If the Senator has a scheme that will make the manufacture of denatured alcohol possible to the farmer, I think that we ought to support it.

Mr. SIMMONS. I will state to the Senator that the farmers have sent a delegation here with reference to this matter. This amendment has been submitted to them and is very satisfactory, they say, and will enable them to make denatured alcohol, which it is impossible for them under the present law to do.

Mr. SMOOT. I should like to ask the Senator if the department has passed upon it?

Mr. SIMMONS. I stated that it had been submitted to the department, and the department has passed upon it. To-day the deparment sent Mr. Maddox, who has charge of this matter, up here and he had lengthy conferences with the Senator from Florida [Mr. BRYAN], the Senator from Oregon [Mr. LANE], and in part with myself.

Mr. POINDEXTER. I should like to ask the Senator from North Carolina what the other restrictions are? He mentioned the proof of 180 degrees and referred to other restrictions.

Mr. SIMMONS. The others were some restrictions with reference to bonds and inspection.

Mr. POINDEXTER. I dislike very much to consent to important legislation without knowing what it is, but if the Senator assures us that the purpose of the amendment is to liberalize the manufacture of denatured alcohol, I am willing to take his statement.

Mr. SIMMONS. That is its only purpose.

The VICE PRESIDENT. The Senator from North Carolina offers an amendment, the reading of which by unanimous consent will be dispensed with, but the amendment will be printed in the RECORD.

The proposed amendment is, at the end of subsection N, page 268, insert the following:

SUBSECTION 2. That from and after the 1st day of January, 1914, under such regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe, any farmer or association of farmers, any fruit grower or association of fruit growers, or other person or persons may manufacture alcohol free of tax for denaturization only, out of any of the products of farms, fruit orchards, or any substance whatever, on condition that such alcohol shall be directly conveyed from the still by continuous closed pipes to locked and sealed receptacles in which the same may be rendered unfit for use as an intoxicating beverage by an admixture of such denaturing materials as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe, or where such alcohol is of insufficient proof to be denatured, the same may be transferred in bond from such locked and sealed receptacles to a central distilling and denaturing plant as hereinafter provided.

That the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury may authorize the establishment of central distilling and denaturing plants to which alcohol produced under the provisions of this act, free of tax, may be transferred, redistilled, and denatured under such regulations, and upon the execution of such notices and bonds as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe.

That any central distilling and denaturing plant provided for in section 2 of this act may, in addition to the spirits produced under section 1 of this act, use any of the products of farms, fruit orchards, or any substance whatever for the manufacture of alcohol for denaturation only: *Provided*, That at such distilleries the use of cisterns or tanks of such size and construction as may be deemed expedient shall be permitted in lieu of distillery bonded warehouses under such rules and regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe.

That any person who under the provisions of this act shall fail to register, or shall falsely register, any still or distilling apparatus used by him, or who shall fraudulently remove or conceal any distilled spirits produced by him, or who shall fail to comply with all the requirements of this act, or any regulations issued pursuant thereto, respecting the production and denaturization of distilled spirits; and any person who shall recover or attempt to recover by redistillization or by any other process or means any distilled spirits after the same has been denatured, shall on conviction, for each offense, be fined not more than $5,000 or be imprisoned for not more than five years, or both, and shall in addition thereto forfeit to the United States all real and personal property used in connection therewith.

That subsection 2 of section 3244 of the Revised Statutes of the United States shall not apply to stills and worms manufactured for use in distilling, provided for in section 1 or this act, but the manufacturer or owner of such distilling apparatus shall give notice to the collector of internal revenue of the district in which the said apparatus is made or to which it is removed, of each still or worm manufactured, sold, used, or exchanged under such regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe.

That section 4 of the act of March 2, 1907, amendatory of the act of June 7, 1906, is hereby repealed, and the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall exempt distillers operating under this act from the provisions of sections 3283 and 3309 of the Revised Statutes of the United States, and from such other provisions of existing laws relating to distilleries, including the giving of bonds, as may be deemed expedient by said officials: *Provided, however*, That the Commissioner of Internal Revenue shall assess and collect the tax on any spirits unlawfully produced or produced and not accounted for by any such distiller.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

EXECUTIVE SESSION.

Mr. SIMMONS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After three minutes spent in executive session the doors were reopened, and (at 1 o'clock and 28 minutes a. m. Tuesday, September 9) the Senate adjourned until Tuesday, September 9, 1913, at 9 o'clock a. m.

HOUSE OF REPRESENTATIVES.

MONDAY, *September 8, 1913.*

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

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We lift up our hearts in gratitude to Thee, O God our heavenly Father, that Thou hast made it possible for us to come to Thee in prayer. We need the uplift, the ingathering of the spirit which comes through contact with Thee to enable us with confidence, patience, and perseverance to go forward to the duties before us. To this end strengthen, guide, and support us, that we may accomplish Thy purposes; in Jesus Christ, our Lord. Amen.

The Journal of the proceedings of Saturday, September 6, 1913, was read and approved.

LEAVE TO EXTEND REMARKS.

Mr. TALCOTT of New York. Mr. Speaker, I ask unanimous consent to extend in the RECORD remarks I made before the

Interstate and Foreign Commerce Committee last February concerning the use of steel cars on railroads.

The SPEAKER. The gentleman from New York [Mr. TALCOTT] asks unanimous consent to extend his remarks in the RECORD on the subject of steel cars on railroads. Is there objection?

There was no objection.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. O'LEARY, for 10 days, on account of illness in his family.

URGENT DEFICIENCY APPROPRIATION BILL.

Mr. FITZGERALD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of H. R. 7898.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 7898) making appropriations to supply urgent deficiencies in appropriations for the fiscal year 1913, and for other purposes, with Mr. FLOOD of Virginia in the chair.

The CHAIRMAN. The Clerk will resume the reading of the bill.

The Clerk read as follows:

The action of the Executive in directing the issue and the issuance by the Surgeon General of the Army of medical supplies out of the reserve supply for the field service of the Army, of the value not exceeding $8,239.40, for the relief of sufferers from floods in the Mississippi Valley in 1913, is approved, and credit for all such supplies so issued shall be allowed in the settlement of the accounts of the Medical Department of the Army.

Mr. MANN. Mr. Chairman, I move to strike out the last word. I do not remember whether it was in the last Congress or in the preceding one that the Committee on Appropriations recommended a provision in one of the appropriation bills, practically providing that hereafter the President should never advance any supplies for the relief of distress. The President has issued supplies for that purpose on a number of occasions, and Congress has always approved and ratified the action of the President. At the time that I speak of, the committee, in approving and ratifying the action of the President—relating to the Mississippi floods, I believe—proposed to restrict the power of the President thereafter. I made a point of order against that provision, and it was stricken out of the bill on that point of order; so at least on one occasion a technical rule has been of great service, as is proven by the action taken by the President in reference to the Ohio floods.

Mr. FITZGERALD. Mr. Chairman, this does not restrict the power of the President. He has no authority to take any such action. The only other time that I can recall when the President issued supplies without authority having first been given was during the last session of Congress, when a disaster occurred in Alaska. That was done after conference with a number of Members of Congress, as was the action relating to the Mississippi floods just prior to the latest one.

At the time these Ohio and Mississippi Valley floods occurred Congress was not in session. It was between the end of the last session of Congress and the convening of the present session. The matter was called to the attention of the President and discussed with Senator MARTIN of Virginia, who, at that time, it was expected would be chairman of the Senate Committee on Appropriations, and he also communicated with me, because I had been chairman of the Committee on Appropriations of the House in the last Congress. He said he intended to take this action and hoped he would have the support of Congress. The committee thought it advisable to put in a provision legalizing this action. It was not with the intention of interfering with the Executive, although it was to deter people in communities where small catastrophies take place, where there would be ample means and authority in the States to take care of the situation, from feeling that the Federal Government existed for the sole purpose of relieving distress under such conditions. The disasters that took place in the Ohio and Mississippi Valleys were so extensive that, following what had been customary in the past, the United States took such measures as were possible to relieve them.

Mr. MANN. Mr. Chairman, evidently the gentleman from New York did not understand what I said.

Mr. FITZGERALD. I did not catch it exactly.

Mr. MANN. I was not criticizing the provision in the bill. Quite the contrary. I think the President did exactly what he ought to have done on this occasion in reference to these Ohio and other floods last spring. I took the liberty of calling upon the President and the Secretary of War and saying to each of them that I was very sure that no one on the minority side of the House would criticize the President or the department if they furnished relief to these sufferers.

I was referring to a provision which my distinguished friend from New York [Mr. FITZGERALD] inserted in an appropriation bill reported to the House a session or two ago, declaring practically that Congress hereafter would not legalize such action by the President or the Executive if taken without authority of Congress. I took the liberty of making a point of order against that provision, and it went out on the point of order. I think what has taken place since fully justifies the making of that point of order.

Mr. FITZGERALD. Mr. Chairman, I am glad the Federal Government did what was done during the recent floods, although I think it is unfortunate that it is necessary that such enormous loss should happen from these catastrophies in order to justify any action on the part of the gentleman from Illinois and the House.

Mr. MANN. Mr. Chairman, that was not necessary to justify the action. The action was justified by the majority of the House at the time, and I take it it is now justified by the gentleman from New York, who then opposed the action.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

The Secretary of the Treasury is authorized and directed to credit certain appropriations under control of the Engineer Department of the Army with expenditures for the relief of sufferers from floods in the Mississippi Valley in 1913, as follows.

Mr. MANN. Mr. Chairman, I move to strike out the last word. Just what is meant by this direction to credit certain appropriations with expenditures for the relief of sufferers from floods in the Mississippi Valley?

Mr. FITZGERALD. Mr. Chairman, in some of these cases enumerated under this language supplies were used and boats were utilized. Men were detailed to work and were paid out of a permanent appropriation for the operation of locks and canals, and in order to permit the accounts to be straightened out, instead of making an appropriation to reimburse such appropriations, the committee thought it more advisable to authorize the crediting of the amounts so that the books might be kept straight. In some of the appropriations for the improvement of the Mississippi River and the Ohio River, instead of making another appropriation to reimburse the appropriations that were used the committee thought it would be advisable to simply authorize the crediting off of these sums.

Mr. MANN. I still do not understand. I may be thick headed. What is done in reference to the improving of the Mississippi River to the extent of $10,125?

Mr. FITZGERALD. Nothing. Out of an appropriation for that purpose certain forces are engaged in doing this work, and they were diverted from that work to the flood relief work, and, instead of reimbursing the appropriations, the provision in this way enables them to legalize the accounts in their books.

Mr. MANN. It is intended, then, that this appropriation for improving the Mississippi River really loses this amount.

Mr. FITZGERALD. Yes, to that extent; and in some of the others it is out of the permanent indefinite appropriation, and there was no necessity to reimburse it.

The Clerk read as follows:

Interior Department.

Mr. FOSTER. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

After the words "Interior Department" add, as a new paragraph:
"The Secretary of the Interior is hereby authorized, in his discretion, to accept and expend such funds, not to exceed the sum of $500,000, as may be contributed by the State of Pennsylvania or other parties for the purpose of extending and improving the site transferred by the authorities of the city of Pittsburgh to the United States in accordance with the act of Congress making appropriation for public buildings and grounds, approved March 4, 1913, and for the erection for the use of the Bureau of Mines of appropriate structures on the lower portion of said site adjacent to the Carnegie Institute of Technology: *Provided*, That the acceptance of such contributions and the improvements made therewith shall require no expenditures by the United States additional to those already authorized by Congress."

Mr. FITZGERALD. Mr. Chairman, on that I reserve the point of order.

Mr. FOSTER. Mr. Chairman, I just want to say a word in respect to this. I realize, of course, that this is subject to the point of order. It will be called to mind that the Department of the Interior came into possession of some land in the city of Pittsburgh for the use of the Bureau of Mines, which they received in a trade with the War Department; that is, the War Department owned some land which was given to the city of Pittsburgh as a park, and the Congress made a transfer of this land to the city of Pittsburgh, and in consideration they re-

ceived the land which is now the property of the Bureau of Mines. At the last session of Congress there was authorized an appropriation of $500,000 for a building on this property. On one side of the property near the Carnegie Technical Institute there is a ravine, in which there are a number of railroad tracks.

The Carnegie Institute Building, which has been erected there, stands very high from the ground on account of this ravine, and what they desire to do is to assist in filling in this ravine, covering over the railroad tracks in such a way that the cars may run underneath. That protects their own building, which they think needs this very much, and the State of Pennsylvania in the last session of the legislature passed an appropriation of $50,000 for that purpose. When the bill went to the governor, Gov. Tener was attempting to economize as much as he could, and he reduced it to $25,000, so that there is now available from the State of Pennsylvania $25,000 for this purpose, and it is expected that other donations will be made so that this ravine may be filled in, and the Bureau of Mines and the Government consequently will get the benefit of this expenditure of money. It requires no additional expense on the part of the Government in accepting these donations, whatever they may be, and we have reason to believe that if this authorization is made that there will be sufficient funds to cover this ravine in the way I have indicated and in that way the Government will get the benefit from it.

Mr. MANN. Will my colleague yield?

Mr. FOSTER. Yes.

Mr. MANN. Has not the Senate passed a bill?

Mr. FOSTER. I think they have. Senator WALSH, I think, introduced a resolution, but whether it was passed or not I am not sure, but I think it has. I know it has been introduced over there and I understand there is no opposition so far as it, at least, is concerned.

Mr. MANN. I may be mistaken, but I was under the impression that the Senate had passed the bill.

Mr. FOSTER. The gentleman's recollection may be correct as to its passage, but I rather think there was a favorable report on it by the committee, but whether it has passed or not I am not sure.

Mr. MANN. As far as the gentleman knows has anyone any opposition to it?

Mr. FOSTER. I do not know of anyone who has any opposition to it.

Mr. MANN. I understand this is a site the Bureau of Mines wants.

Mr. FOSTER. This site now belongs to the Bureau of Mines. This 11½ acres is on a hill sloping down into a ravine on which there are a number of railroad tracks. Now, what is proposed is to build up in connection with the Carnegie Institute, say, for instance, over here [indicating], and here is the land belonging to the Bureau of Mines. That fills in this ravine and makes it so an elevator can be put in there, for instance, to conduct from the railroad tracks up to the top of the hill and in that way get a greater benefit from it.

Mr. MANN. I did not hear all my colleague said, but my recollection was that the State of Pennsylvania was to contribute half a million dollars.

Mr. FOSTER. They contributed last winter $50,000, but that appropriation was reduced by the governor to $25,000. That is all the appropriation that they have made so far, but I understand the Carnegie Institute there, in connection with their work, was willing to help make this donation in the sum of something like half a million dollars, and it would be of great benefit to the Government, to their property, if they were permitted to accept this donation. They can not do it, of course, without authorization from the Congress.

The CHAIRMAN. The time of the gentleman has expired. The point of order is sustained.

The Clerk read as follows:

GENERAL LAND OFFICE.

The unexpended balance on June 30, 1913, remaining to the credit of the appropriation of $4,500 contained in the deficiency appropriation act approved August 26, 1912, for the completion during the fiscal year of 1913 of the examination and classification of lands within the limits of the Northern Pacific grant under the act of July 2, 1864 (13 Stats., 365), is continued and made available to meet the expenses pertaining to such examinations and classifications as may be incurred during the fiscal year ending June 30, 1914.

Mr. MONDELL. Mr. Chairman, I move to strike out the last word. Mr. Chairman, the Secretary of the Interior submitted an estimate to the committee of $50,000 for the employment of 3 lawyers at a salary of $5,000 per annum, 10 lawyers at a salary of $2,500 per annum, and some additional clerks and stenographers in the office of the Assistant Attorney General for the Interior Department. This appropriation was asked for on the ground that there was a large accumulation of appealed cases in the Secretary's office, largely from the General Land Office. The committee gave careful consideration to this item, and I believe was justified in not allowing it at this time in total, though I am of the opinion that it would have been the part of wisdom to have given the Secretary of the Interior some money to employ additional force in his office for the purpose of bringing up the appealed cases. For a number of years past, owing to the rulings in the Secretary's office and in the office of the commissioner relating to land matters, there have been an unusually large number of appeals, so that at this time there are many appealed cases which have been before the Secretary's office for some time and that ought to be passed upon. The committee, on interrogating the officials of the department, came to the conclusion that possibly after the present Secretary and his assistants have had more time to acquaint themselves with the work of the office they will be better qualified than now to recommend whatever reorganization or addition to the force may be necessary to care for the increased work which comes to the Secretary's office from the Land Office.

I regret that the Secretary did not ask for a smaller sum, or that the committee, after considering the matter, did not feel justified in giving the Secretary at least a portion of what he asked. And yet, taking everying into consideration—and I shall not take up the time of the committee to go into the matter in detail—I think the committee was justified in not allowing the full estimate at this time, although it is very certain that the Secretary's office will require increases in the future, and I trust that they may provide in the next appropriation bill for the constantly increasing work of that office.

Mr. Chairman, there was also presented to the committee an estimate of $8,100, for the purpose of employing two clerks in the office of the Commissioner of the General Land Office, at the rate of $1,400 per annum; 2 clerks, at $1,200; 2 clerks, at $1,000; and 1 copyist. I think the committee should have allowed that item. I reserved the right to offer an amendment providing for it; but after thinking the matter over, I have concluded that it would be useless to do so, and therefore I shall not offer an amendment.

There is no question, however, but that the commissioner's office needs this additional help and more. The fact is that the General Land Office has long been one of the neglected offices under the Government in the matter of salaries and office force. The commissioner's office was established a long time ago. The salaries are those which were current 20 years ago. Since that time, as we have provided new departments and new bureaus, we have fixed salaries more in harmony with the prevailing conditions of the time, and we now have many bureau chiefs under the Government who have infinitely less responsibility and very much less work than has the Commissioner of the General Land Office who receive a much larger salary than does the commissioner.

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

Mr. MONDELL. Mr. Chairman, I ask that I may have five minutes more.

The CHAIRMAN. Is there objection to the gentleman's request.

There was no objection.

Mr. BARTLETT. Mr. Chairman, may I ask the gentleman just one question before he proceeds?

Mr. MONDELL. Yes.

Mr. BARTLETT. Is it not a fact that this same application was made in the last Congress to the last Appropriations Committee and the one before? It is not an application for a deficiency, but is it not simply a supplemental estimate and a thing they have been trying to get from Republican and Democratic committees, and neither one of them has allowed it?

Mr. MONDELL. I will say to my friend that I did not rise to criticize the committee or anyone else, or to raise the issue as to whether or not a Republican Congress had performed its duty or whether this Democratic Congress would perform its duty, but rather to give a little information with regard to a matter with which I am familiar. I want to express the hope that the committee having charge of the legislative appropriation bill will go into the question of entirely reorganizing the office of the Commissioner of the General Land Office. I have a bill which has been before Congress for some time to accomplish that purpose. It was not reported in the Republican Congress, partly because it was introduced just before our party ceased to have the power to legislate, and the Democratic Congress thus far has not seen fit to take the matter up. But I trust that Democratic economy will not stand in the way of the much-needed reorganization of the office of the Commissioner

of the General Land Office and provide for an increase of salaries and of officers. While it is true that we are disposing of the public domain quite rapidly and the amount of public lands which remain open for disposition is much smaller than it was a few years ago, it is also a fact that, right or wrong, properly or improperly—and that is largely a matter of opinion—we are exercising a closer scrutiny and supervision over the disposal and use of the public domain than we have in the past, and the result is that the same number of cases handled now that were handled in the past require much more consideration and require a larger force than the same number of cases would have required a few years ago.

In addition to that, we are administering the public domain under much more complicated legislation than in years past, with the result that this office, whose force has not been increased to any considerable extent in many years, is greatly overburdened with the volume of business it is called upon to transact. While we have been increasing salaries elsewhere—and this is what I particularly desire to emphasize—while we have been increasing salaries elsewhere very considerably, salaries of chiefs and assistant chiefs of bureaus, chiefs of divisions, and so on, we have not increased the salaries in the office of the Commissioner of the General Land Office for many years, and we have any number of officials of the Government receiving nearly twice the salary that the commissioner and his assistants receive for work of no greater importance.

Mr. COX. What does the commissioner receive?

Mr. MONDELL. $5,000. There are officers receiving much higher salaries who occupy positions that do not require the preparation and ability that is required to fill these positions and that do not have anything like the responsibility these men have.

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

Mr. MONDELL. Yes; I will yield.

Mr. COX. I want to say to the gentleman that there has been no dearth of applicants for that position since the 4th of March, and no complaints have been made about the salary.

Mr. MONDELL. Oh, my friend knows that that really does not answer the proposition at all. There are men who are willing to serve the Government even at a loss.

Mr. COX. They are patriots.

Mr. MONDELL. Yes; patriotic men. There are lots of such men. Then there are men who may not be worth $5,000 or $4,000 or $3,500 who would be perfectly willing to secure an office which has that salary attached to it. What I desire to emphasize is, first, that the force in this office is inadequate in number; and, second, that the salaries paid are not sufficient either in the case of the positions filled by appointment of the President or many of those under civil service. I believe that the men now occupying those positions are worthy and well qualified; but I do not believe they are receiving the salaries that men of their ability and qualifications are entitled to, and it is only fair and just that we should bring this long-neglected bureau up to the standard of other bureaus in pay and in the size of the force. There should be a considerable increase in force and a marked increase in salaries as a matter of justice and good administration.

Mr. FITZGERALD. Mr. Chairman, without taking the time to discuss the appropriations for the General Land Office, I shall insert in the RECORD a brief statement showing the appropriations for that office for the last few years. It shows that that service has been more than liberally treated by Congress.

The CHAIRMAN. If there be no objection, the statement referred to by the gentleman will be printed as a part of his remarks.

There was no objection.

The statement is as follows:

APPROPRIATIONS FOR GENERAL LAND OFFICE.

For the fiscal year 1909 the appropriation for the clerical force in the General Land Office was increased from $560,900 for 1908 to $572,450, or by $11,550. For the fiscal year 1910 there was appropriated $572,450. For 1911, $572,450 was appropriated, and in addition thereto 51 places, with salaries aggregating $49,220, were provided for in the sundry civil act. For the fiscal year 1912, $572,450 was provided, and the $49,220 carried in the sundry civil act for 1911 for employees was taken up and made a part of the regular force of the Land Office, making for that year $621,870. For the fiscal year 1913 the appropriation was increased from $621,870 to $630,650, or by $8,780, and 37 additional temporary employees, with salaries aggregating $32,620, were provided for in the sundry civil act. For the fiscal year 1914 the appropriation was increased from $630,650 to $631,250, or by $750, and in addition thereto authority was given to expend $15,000 from the sum appropriated "to prevent depredations on the public timber," for clerical services in bringing up and making current the work of the General Land Office.

In addition to the foregoing specific employments in the General Land Office clerical services were further authorized under the appropriation for preventing depredations upon the public timber, as follows.

Prior to 1909 the largest appropriation made for preventing depredations upon the public timber was $250,000.

For the fiscal year 1909, $500,000 was given, of which $250,000 was made available for bringing up the work of the General Land Office thereunder and making it current.

For the fiscal year 1910, $1,000,000 was appropriated, of which $750,000 was made available to bring up current the work of the General Land Office and $50,000 was made available for employment of clerks and other expenses at district land offices.

For the fiscal year 1911, $750,000 was appropriated, of which $500,000 was made available to bring the work up current and $25,000 made available for clerks and other expenses at district land offices.

For the fiscal year 1912, $650,000 was appropriated and $250,000 made available for making the work current in the General Land Office and $25,000 made available for clerks and other expenses at district land offices.

For the fiscal year 1913, $500,000 was appropriated and $25,000 made available for making the work of the General Land Office current.

For the fiscal year 1914, $500,000 was appropriated and $15,000 made available for clerical services in making current the work of the General Land Office.

For clerk hire and other expenses of district land offices appropriations have been made as follows:

1908	$295,000
1909	301,250
1910	295,000
1911	295,000
1912	320,000
1913	410,000
1914 (as estimated by General Land Office)	320,000

The CHAIRMAN. If there be no objection, the pro forma amendment will be considered as withdrawn, and the Clerk will read.

The Clerk read as follows:

GEOLOGICAL SURVEY.

For the purchase of instruments, equipment, apparatus, supplies, file cases and other furniture, and lumber, and the reprinting of maps and folios, to replace certain ones destroyed by the fire of May 18, 1913, in the building occupied by the United States Geological Survey, including the repairs to instruments and equipment made necessary by said fire, these emergency purchases to be made under such rules as the Secretary of the Interior shall prescribe, to continue available during the fiscal year 1914, $50,000.

Mr. BARTON. Mr. Chairman, I move the adoption of the amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amend, page 17, after line 21, by inserting as a new paragraph the following:

"For gauging the streams and determining the water supply of the United States, and for the investigation of underground currents and artesian wells, and the preparation of reports upon the best methods of utilizing the water resources of southwestern Nebraska, $100,000, to remain available during the fiscal year 1914."

Mr. FITZGERALD. Mr. Chairman, I make a point of order against the amendment.

Mr. MANN. Does the gentleman make it or reserve it?

Mr. FITZGERALD. I will reserve it.

Mr. BARTON. Mr. Chairman, there is no greater asset to the people as a whole than a prosperous, productive, agricultural country; no greater work that the Government can do than to convert semiarid lands into dependable agricultural regions. We have the best soil in the world, plenty of sunshine, and a most industrious people, and all we need to make them prosperous, contented, and happy is an abundant supply of water to irrigate their land. We may have within easy access a possible plan of subirrigation. It may be possible to dam up the watercourses and make reservoirs or lakes. It may be possible to in some other manner secure this much-needed water. We do not know. We are asking for a doctor to diagnose our case. We believe the Government should determine the practical thing for us to do, as we are entitled to the benefit of the knowledge of the people and the departments who have made these matters a life study at Government expense. If some practical plan can be determined in this district, the same plan would apply to a vast area of the lands of the Middle West, and great tracts of land now uncertain would be transformed into the granaries of the great Middle West.

You Members who preach conservation, can you conjure a greater conservation than is contained in this amendment, which means if a practical plan is evolved, full granaries, happy homes, and a prosperous condition? And again I say, all that we ask is an expert to make proper investigation to determine the best means of bringing about this so much desired condition of a plentiful water supply.

You Members who helped vote out of the National Treasury $4,000,000 to construct a park in Washington, and who from time to time vote great sums for the purpose of beautifying parks and building memorial bridges, can surely lend your support to this amendment, which means so much to an agricultural people and to the consumers of this country.

Mr. FITZGERALD. Mr. Speaker, I insist on my point of order.

The CHAIRMAN. The point of order is sustained.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. MCKELLAR having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Tulley, one of its secretaries, announced that the President had on the following dates approved bills of the following titles:

On July 9, 1913:

S. 2272. An act providing for an increase in number of midshipmen at the United States Naval Academy after June 30, 1913.

On July 15, 1913:

S. 2517. An act providing for mediation, conciliation, and arbitration in controversies between certain employers and their employees; and

S. 1353. An act to authorize the board of county commissioners of Okanogan County, Wash., to construct, sustain, maintain, and operate a bridge across the Okanogan River at or near the town of Malott.

On August 28, 1913:

S. 1620. An act to provide for representation of the United States in the Fourteenth International Congress on Alcoholism, and for other purposes.

The message also announced that the Senate had passed joint resolution of the following title, in which the concurrence of the House of Representatives was requested:

S. J. Res. 68. Joint resolution authorizing the Secretary of the Senate and the Clerk of the House of Representatives to advance to the chairman of the commission appointed under the act approved June 30, 1913, such sums of money as may be necessary for the carrying on of the commission, etc.

SENATE JOINT RESOLUTION REFERRED.

Under clause 2 of Rule XXIV, Senate joint resolution of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. J. Res. 68. Joint resolution authorizing the Secretary of the Senate and the Clerk of the House of Representatives to advance to the chairman of the commission appointed under the act approved June 30, 1913, such sums of money as may be necessary for the carrying on of the commission, etc.; to the Committee on Indian Affairs.

URGENT DEFICIENCY APPROPRIATION BILL.

The committee resumed its session.

The Clerk read as follows:

Platt National Park: For maintenance, bridging, roads, and trails, fiscal year 1914, $8,000.

Mr. FOSTER. Mr. Chairman, on that I reserve the point of order.

Mr. CARTER. Mr. Chairman, this is not subject to a point of order. It is one of the regular parks provided for by the act of July 1, 1902; and if this item is subject to a point of order any item for a national park is subject to a point of order.

Mr. FOSTER. This is a park for which, I think, up to this time the Government has stopped appropriating.

Mr. CARTER. No; it has not. It failed to appropriate for it last year, but that does not make this item subject to the point of order.

Mr. FOSTER. I understand this is only a health resort down there, which the National Government is maintaining, and it is not a national park at all.

Mr. CARTER. Oh, yes; it is.

Mr. FOSTER. In one sense of the word it is not.

Mr. CARTER. It is one of the most beautiful of all of the national parks.

Mr. THOMPSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. FOSTER. Certainly.

Mr. THOMPSON of Oklahoma. Mr. Chairman, I know as well as any man who is a Member of this Congress or as well as any man in the United States the conditions that exist at the Platt National Park. On the 1st of July, 1902, about 1,000 people built the town of Sulphur, Okla., near where are located the Sulphur Springs and the Medicine Springs in Oklahoma. At that time the then Secretary of the Interior, Mr. Hitchcock, without any request on the part of these people, asked the Congress of the United States to segregate, because of the medicinal properties of the water of these different springs, 628.89 acres of land. Mr. Chairman, on the request of the Secretary of the Interior these lands were segregated from allotments to the Chickasaws and Choctaws, the people who owned the land. Very small remuneration was paid to the people who occupied the lots and who were in possession of the land around these springs; but the people of Sulphur with good grace submitted to this appropriation by the Federal Government. In 1904, on April 18, the Congress of the United States, acting on information given it by the Secretary of the Interior, Mr. Hitchcock, appropriated a further amount of land, amounting to 219.33 acres, making in all 848.22 acres of land. The people of Sulphur did not ask this appropriation of the public domain. They had moved off the land that was appropriated in 1902 and had moved on the land that was not appropriated at that time, and occupied that land, so that when the Federal Government came along in 1904 and appropriated an additional 219.33 acres they were in that appropriation,

They submitted to that, Mr. Chairman. They were very poorly paid for the improvements they had put upon this land, and they moved across to another part of Oklahoma. There are two reasons why the Platt National Park should be continued. In the first place, Mr. Chairman, it is the only unappropriated public domain of the Chickasaws and Choctaws in the great State of Oklahoma. The Choctaws and Chickasaws have given up all of the public domain of the two tribes located in that State. They have surrendered their pride of tribe; they have surrendered their pride of nation, and these 848.22 acres of land are all of the land of these two great tribes of Indians, now fast vanishing, that has not been segregated and divided among the people of the Chickasaws and Choctaws in common.

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

Mr. THOMPSON of Oklahoma. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. THOMPSON of Oklahoma. Mr. Chairman, the National Government has set aside 12 parks in the present boundary of the United States. The object of the Government in setting aside these national parks was for playgrounds for the people of the country, to promote their health and their happiness. In the State of Oklahoma this is the only playground, the only national park, that has been set aside for the people by the Government of the United States. We have nearly 2,000,000 people in that State, and they, with nearly 1,000,000 people in the State of Texas and a half million people in the State of Kansas, use the Platt National Park as the playground of the people of that section of our country.

Now, if the policy of the National Government is to be continued, if the idea of the National Government to set aside national parks is to be continued, I can prove to this Congress and to the people of this country that the Platt National Park is the most important of all the national parks in this country.

I want to say to the Congress and to the American people that the Government of the United States has established the following national parks and appropriated for the purpose of maintaining these parks the following sums of money:

The Yellowstone National Park, Wyoming, $2,744,903.84
The Yosemite National Park, California, $474,599.25.
The Glacier National Park, Montana, $259,200.
The Sequoia National Park, California, $178,939.69.
The General Grant National Park, California, $29,558.65.
The Mount Rainier National Park, Washington, $63,300.
The Crater National Park, Oregon, $177,855.
The Wind Cave National Park, South Dakota, $26,900.
The Mesa Verde National Park, Colorado, $77,000.
Platt National Park, $40,500.
The Hot Springs National Park, Arkansas, $442,244.30.

Now, Mr. Chairman, I want to call the attention of the Congress to the amount of land granted to these national parks by the Government of the United States:

The Yellowstone National Park, 2,142,720 acres.
The Yosemite National Park, 719,622 acres.
The Sequoia National Park, California, 161,597 acres.
The General Grant National Park, 2,536 acres.
The Mount Rainier National Park, 207,360 acres.
The Crater Lake National Park, Oregon, 159,360 acres.
Wind Cave National Park, 10,522 acres.
Platt National Park, Oklahoma, 848.22 acres.
The Mesa Verde, Colorado, 42,376 acres.
Hot Springs National Park, Arkansas, 911.63 acres.
Glacier National Park, in Montana, 981,681.

Mr. Chairman, I desire to incorporate as a part of my remarks the location, area, and characteristics of the national parks as will be found in the report of the Secretary of the Interior to the Congress of the United States for the fiscal year ending June 30, 1912.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to incorporate the matter mentioned in his remarks. Is there objection?

There was no objection.

Mr. THOMPSON of Oklahoma. Mr. Chairman, the report of the Secretary of the Interior for the fiscal year ending June 30, 1912, with reference to the location, area, and characteristics of national parks is as follows.

Location, area, and characteristics of national parks.

Name.	Location.	When established.	Area (acres).	Private lands (acres).	Visitors, 1912.	Special characteristics.
Yellowstone	Wyoming, Montana, and Idaho.	Mar. 1, 1872	2,142,720	None.	22,970	Wonderful scenery, geysers, boiling springs, mud volcanoes and springs, mountains, grand waterfalls, brilliant-hued canyons, great lake 8,000 feet above the level of the sea; wild animals.
Yosemite	California	Oct. 1, 1890	719,622	19,827	10,884	Mountain scenery, magnificent waterfalls, the Hetch Hetchy and Yosemite Valley, ice-sculptured canyons, glacier lakes, forests.
Sequoia	do	Sept. 25, 1890	161,597	3,716.96	2,923	The home of the "Big Tree" (Sequoia gigantea), growing to a height of 300 feet with a diameter of 30 feet, the bark being 2 feet thick; rugged and picturesque scenery, beautiful cascades and falls, and wonderful caves.
General Grant	do	Oct. 1, 1890	2,536	160	2,240	
Mount Rainier	Washington	Mar. 2, 1899	207,360	18.2	8,946	Glaciers and wild mountain scenery.
Crater Lake	Oregon	May 22, 1902	159,360	2,458.11	5,235	Rugged mountain scenery, beautiful lake within the crater of an extinct volcano, etc.
Wind Cave	South Dakota	Jan. 9, 1903	10,522	160	3,199	Well known for a cavern having many miles of galleries and numerous chambers of considerable size containing many peculiar formations.
Platt	Oklahoma	July 1, 1902 / Apr. 21, 1904	848.22	None.	31,000	Noted for its bromide and other springs, the waters of which have medicinal qualities; park well wooded; scenery picturesque.
Mesa Verde	Colorado	June 29, 1906	42,376	880	230	Set aside to preserve the prehistoric ruins of an ancient people; rugged scenery.
5-mile strip for protection of ruins.	do	do	175,360			
Hot Springs Reservation	Arkansas	June 16, 1880	911.63	None.	135,000	Famous for its thermal springs, having wonderful medicinal qualities.
Glacier	Montana	May 11, 1910	981,681	16,668.11	6,257	Famed for its beautiful lakes derived from glaciers, lofty mountains clad with forests, magnificent glacial formations, numberless waterfalls. Game, fish, and birds abound.
Sullys Hill	North Dakota	Apr. 27, 1904	780	None.	[1] 200	Small rugged hills containing prehistoric ruins. Practically a local park.
Casa Grande Ruins	Arizona	Mar. 2, 1889	480	None.	450	These ruins are one of the most noteworthy relics of a prehistoric age and people within the limits of the United States. Discovered in ruinous condition in 1694.

[1] Estimated.

Mr. THOMPSON of Oklahoma. Mr. Chairman, I would like about three minutes more.

Mr. Chairman, notwithstanding the fact that the Platt National Park contains only 848.22 acres, and is therefore the next smallest of all the 12 national parks located by the Federal Government, in point of visitors and real intrinsic value, to the people of our country, it is the most important national park in the United States. There is only one national park in our country that compares with it in the number of visitors per year, and that is the great Yellowstone National Park, that contains an area of 2,143,728 acres, and for the purchase and maintenance of which the Government has appropriated the sum of $2,744,903.84. The report of the Secretary of the Interior for the fiscal year ending June 30, 1912, shows that the visitors to the national parks from the year 1907 to the year 1912, inclusive, were as follows:

Visitors to national parks, 1907 to 1912.

Name of park.	1907	1908	1909	1910	1911	1912
Yellowstone National Park	16,414	19,542	32,545	19,575	23,054	22,970
Yosemite National Park	7,102	8,850	13,182	13,619	12,530	10,884
Sequoia National Park	900	1,251	854	2,407	3,114	2,923
General Grant National Park	1,100	1,773	798	1,178	2,160	2,240
Mount Rainier National Park	2,068	3,511	5,968	8,000	10,306	8,946
Mesa Verde National Park	.....	80	165	250	206	230
Crater Lake National Park	2,600	5,275	4,171	5,000	4,500	5,235
Wind Cave National Park	2,751	3,171	3,216	3,387	3,887	3,199
Platt National Park	28,000	26,000	25,000	25,000	30,000	31,000
Sullys Hill National Park	400	250	190	190	200	200
Hot Springs Reservation	.....	.....	.....	120,000	130,000	135,000
Glacier National Park	.....	.....	.....	.....	4,000	6,257

By reference to this table it will be seen that the visitors to the Platt National Park during the periods mentioned, exclusive of the Yellowstone National Park, were more than four times as many as the visitors to any other of the national parks established by this Government, and that the visitors to the Platt National Park, notwithstanding the great area contained in the Yellowstone National Park and the enormous sums expended by the National Government for the establishment and maintenance of said park, were nearly twice as many as to the Yellowstone National Park.

Mr. Chairman, the report of the watchman of the Bromide and Medicine Springs for the period beginning July 7, 1913, and ending August 4, 1913, and the amount of water used during said period and the period beginning August 1, 1913, and ending August 31, 1913, and the amount of waters taken from said springs during said time is as follows:

Date.	Visitors.	Bromide water used.	Medicine water used.	Total water used.
		Gallons.	*Gallons.*	*Gallons.*
July 7	456	227	113	333
July 8	575	217	108	325
July 9	505	200	100	300
July 10	545	220	100	220
July 11	503	256	150	400
July 12	621	200	167	367
July 13	1,258	329	315	644
July 14	1,130	282	283	565
July 15	556	.....	.....	.....
July 16	777	194	185	379
July 17	746	161	175	336
July 18	900	226	226	452
July 19	750	225	295	520
July 20	1,040	.....	.....	.....
July 21	753	196	205	401
July 22	1,187	296	310	606
July 23	1,460	300	325	625
July 24	1,840	275	325	600
July 25	1,057	200	225	425
July 26	515	125	100	225
July 27	1,173	222	195	417
July 28	745	186	200	386
July 29	662	150	225	375
July 30	763	195	210	405
July 31	682	175	190	360
Aug. 1	856	220	230	450
Aug. 2	706	175	200	375
Aug. 3	1,460	365	400	835
Aug. 4	1,012	253	240	493
Total	27,293	6,054	5,797	11,816

Date.	Visitors.	Water taken in bottles.	Water taken from spring.
		Gallons.	*Gallons.*
Aug. 1	856	335	617
Aug. 2	706	370	530
Aug. 3	1,460	350	730
Aug. 4	1,012	400	506
Aug. 5	783	350	400
Aug. 6	663	305	450
Aug. 7	725	234	525
Aug. 8	1,155	302	577
Aug. 9	850	250	415
Aug. 10	1,588	110	800
Aug. 11	760	250	500
Aug. 12	825	250	550
Aug. 13	881	300	565
Aug. 14	827	320	600
Aug. 15	1,047	300	700
Aug. 16	805	350	650
Aug. 17	850	250	500
Aug. 18	905	230	675
Aug. 19	914	275	650
Aug. 20	750	295	500
Aug. 21	912	300	606
Aug. 22	779	275	575
Aug. 23	1,125	300	650
Aug. 24	1,275	350	700
Aug. 25	779	275	670
Aug. 26	750	300	550
Aug. 27	816	300	625
Aug. 28	713	455	606
Aug. 29	697	250	544
Aug. 30	662	300	556
Aug. 31	706	200	520
Total	26,909	8,921	17,516

Many hundred thousands of dollars have been expended by our people for preparations to receive people from all parts of the United States who have come to Sulphur for the wonderful curative powers of the waters of these springs. It would not only be an injustice to the people of Sulphur, but it would be a great crime against the afflicted of all the States of this Union if this appropriation were not continued and the wonderful curative properties of these wonderful springs not continued for the benefit of all the people of all the States and all the Nation.

I therefore ask the gentleman to withdraw his point of order and let us have the sense of the Congress of this country as to whether or not a few thousand dollars shall be expended in order that the people of this country may receive, free of charge, the waters that are furnished by nature in the Platt National Park, which will restore them to health and vigor.

Mr. FOSTER. Mr. Chairman, in view of the statement of the gentleman from Oklahoma and the fact that the National Government has attempted two or three times to give the park to Oklahoma, in view of the statement that the gentleman has made at this time in reference to this park, and with the hope that in the course of another year or two Oklahoma may be able to take it, I withdraw the point of order.

Mr. THOMPSON of Oklahoma. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. MANN. Mr. Chairman, I would like to ask the chairman of the committee what is the necessity of appropriating $8,000 for the Platt National Park? The appropriation heretofore has been about eight thousand and some odd dollars for the year.

Mr. FITZGERALD. My recollection is $8,924.

Mr. MANN. Eight thousand and nine hundred dollars was the estimate.

Mr. FITZGERALD. It is for the purpose of paying certain employees.

Mr. MANN. I understand the estimate says that it is not desired to allow the park or the buildings to go into decay. Thereupon it is proposed to appropriate in the middle of September, so that the appropriation will not go into effect before the second quarter of the year, as much money as has heretofore been appropriated for the entire year, taking in all the employees. Are the employees in service now contrary to law?

Mr. FITZGERALD. They are not.

Mr. MANN. Then why should we appropriate for back pay for them?

Mr. FITZGERALD. The estimate was cut nearly $1,000.

Mr. MANN. July, August, and the most of September will have gone before the bill becomes a law.

Mr. FITZGERALD. The gentleman from Illinois understands that it is impossible to accurately estimate just how much will be required.

Mr. MANN. I understand; but if $8,000 is appropriated the chances are ninety-nine to one hundred that it will all be spent.

Mr. FITZGERALD. The gentleman is mistaken; the chances are one hundred in one hundred.

Mr. MANN. Well, that is very likely. Why not reduce the amount here? If there is no occasion for appropriating it, why should we appropriate a larger sum than should be required?

Mr. FITZGERALD. The estimate is much less than the department has frequently estimated, and the estimate submitted for the current year was about——

Mr. MANN. Well, my recollection is we have had a good many fights over the Platt National Park, and I think it is fairly good recollection to state that they have asked about $8,000.

Mr. FITZGERALD. They had $8,000 in 1913, $17,500 additional in the Indian appropriation bill——

Mr. MANN. Oh, well——

Mr. FITZGERALD. And in 1912——

Mr. MANN. That was a duplicate and never was expended.

Mr. FITZGERALD. No; it was an addition.

Mr. MONDELL. Will my distinguished colleague yield?

Mr. FITZGERALD. Yes.

Mr. MONDELL. The gentleman from Illinois perhaps notices this is for maintaining bridges, roads, trails, and while salaries will be less yet there are improvements there which will consume all of this appropriation.

Mr. MANN. This is what the estimate says; this is the basis of the estimate:

There is a large amount of public property in this park, consisting of houses, pavilions, barns, benches, bridges, building materials, tools, wagons, harness, mules, records, etc., which will be left in a wholly unprotected condition after the 1st of July, since this department has no appropriation under its control which could be used in providing for the protection and improvement of this park.

And this estimate was made for the purpose of taking care of this property. Why should you make a larger appropriation than they have asked for?

Mr. FITZGERALD. Not larger than they have asked for.

Mr. THOMPSON of Oklahoma. May I submit to the gentleman from Illinois that the appropriation requested was $8,924?

Mr. MANN. I have already stated that five times, I will say to my friend, but that was for the full year.

Mr. THOMPSON of Oklahoma. Now, the appropriations for the two years previous to that time was $10,000 under a Republican Congress, and $9,999 of that appropriation was used. I have the figures here in my hand if the gentleman desires to see them.

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

Mr. MANN. The gentleman from Oklahoma and the gentleman from New York can settle the amount of the appropriation between them, but I can not see any use of giving them a larger appropriation than necessary. I move to strike out $8,000 and insert $7,000.

The CHAIRMAN. The pro forma amendment is withdrawn, and the gentleman from Illinois moves to strike out $8,000 and insert $7,000.

Mr. MURRAY of Oklahoma. Mr. Chairman, I hope the gentleman will not insist upon that because the Secretary of the Interior asked for $8,924. We requested him to make it as close as possible in view of the fact——

Mr. MANN. But he estimates for the full fiscal year.

Mr. CARTER. No; estimated on July 17.

Mr. MANN. No; the estimate was made June 30 for the full fiscal year.

Mr. MURRAY of Oklahoma. The estimate I hold is of July 3.

Mr. MANN. Well, I have the estimate in my hand.

Mr. MURRAY of Oklahoma. Well, if the gentleman will allow me to interrupt him, the purpose of a portion of this fund is in order to utilize this machinery, those mules there, and further improve the park, complete the trails and roads in the park to these bridges, and things of that kind—the Lincoln Bridge and other bridges constructed by the Government. We want to complete those trails. We are at some cost in order to maintain the park, and we really ought to have the $8,924 to do this work.

Mr. MANN. The gentleman has not graced the Congress with his presence in former Congresses, but the Committee on Appropriations for years has been endeavoring to give away this park. I have sympathized with the park myself, but when they come in and say they want an appropriation for one purpose and the committee allows that, why not allow them the amount that is needed for that purpose?

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Illinois [Mr. MANN].

Mr. CARTER. Mr. Chairman, I want to call the attention of the gentleman from Illinois [Mr. MANN] to a statement compiled by the Secretary on July 17, in which he said that it was necessary to have $8,000, and that was after this fiscal year had begun. He evidently knew at that time as much as we know now about when to expect the passage of this bill, and he must have expected that he would need this money through the remainder of this fiscal year after the submission of the statement.

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

The CHAIRMAN. Does the gentleman from Oklahoma yield to the gentleman from Illinois?

Mr. CARTER. I yield.

Mr. MANN. On June 30 the Secretary estimated that they would need $8,964 for the fiscal year, and on July 17 he estimated that he would need $8,000 for the balance of the fiscal year. But the appropriation will not go into effect until at least the middle of September, giving them the amount they need for the balance of the fiscal year.

Mr. CARTER. Undoubtedly the Secretary took that into consideration when he made this estimate on July 17. He knew enough about the practice of the House to know that it would take from 30 to 60 days to pass a bill of this character, as it always does.

Mr. MONDELL. Mr. Chairman, will the gentleman from Oklahoma yield to me?

The CHAIRMAN. Does the gentleman from Oklahoma yield to the gentleman from Wyoming?

Mr. CARTER. I yield to the gentleman.

Mr. MONDELL. The estimate was $8,000 for improvements alone, so that the amount appropriated can be utilized for improvements and salaries for the remainder of the year, and still

make the amount appropriated some $4,000 less than the department asked for.

Mr. CARTER. Well, I wish that were true, but the gentleman from Wyoming is mistaken. I notice that in his estimate the Secretary includes the salaries of park employees, watchmen, laborers, etc., on page 296 of the hearings on the urgent deficiency bill.

Mr. MONDELL. I think I am correct, that the department estimated that they could use $8,000 for improvements alone, and in any event the amount which could be used there would more than exceed the amount that is appropriated.

Mr. DAVENPORT. Mr. Chairman, will my colleague yield to me?

The CHAIRMAN. Will the gentleman yield to his colleague?

Mr. CARTER. I do.

Mr. DAVENPORT. I want to say, Mr. Chairman, that so far as the needs of that national park are concerned, at present it would require a greater amount than had the appropriation been made before the 1st of July. There has been no work done there, and nothing has been kept up since that time. The improvements have been standing there for some time. Less would have been needed if it could have been supplied before the 1st of July, because the committee knows that when you neglect roads and buildings they go into decay much more rapidly than if they are in use and cared for.

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

Mr. CARTER. I yield.

Mr. FOSTER. I notice that in the hearings it is stated they raise alfalfa and corn down there.

Mr. CARTER. Yes; we do. And we raise not only alfalfa, but we also raise alfalfa statesmen. [Laughter.]

Mr. FOSTER. What do the crops amount to?

Mr. CARTER. They are inconsiderable.

Mr. FOSTER. How many mules do they have?

Mr. CARTER. I could not say, but I know they have several.

Mr. FOSTER. I wanted to inquire, Mr. Chairman, of the gentleman from Oklahoma in reference to some of the property. It seems we have several mules there, and it is necessary to feed them.

Mr. MANN. Apparently they have not been fed since July 1. [Laughter.]

Mr. DAVENPORT. And they have two squirrels there.

Mr. FOSTER. I notice in these hearings it is not stated whether they have been fed or not. They have no employees there to feed them, and I suppose the mules are running loose in the park and drinking the health-giving water of the springs, which, of course, would do the mules good.

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

Mr. FITZGERALD. Mr. Chairman, I move that all debate on the pending paragraph and amendments thereto be closed in five minutes.

The CHAIRMAN. The gentleman from New York [Mr. FITZGERALD] moves that all debate on the pending paragraph and amendments thereto be closed in five minutes.

The motion was agreed to.

Mr. WEAVER. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Oklahoma [Mr. WEAVER] asks unanimous consent to extend his reamrks in the RECORD. Is there objection?

There was no objection.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Illinois [Mr. MANN] to strike out "$8,000" and substitute "$7,000."

The question was taken, and the amendment was rejected.

Mr. MANN. There is no use in practicing economy with a Democratic House.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

DEPARTMENT OF JUSTICE.

Office of the Attorney General: For salary of the Assistant to the Attorney General, which is hereby fixed at the rate of $9,000 per annum, in addition to the $7,000 heretofore appropriated, for the fiscal year 1914, $2,000.

Mr. KELLY of Pennsylvania. Mr. Chairman, I make the point of order against that paragraph that it changes existing law and does not reduce expenditures. I shall be glad to be heard on it, if the Chair desires.

The CHAIRMAN. The Chair would like to hear the gentleman from Pennsylvania.

Mr. KELLY of Pennsylvania. Mr. Chairman, the rule under which I make the point of order is Rule XXI, which provides that—

No appropriation shall be reported in any general appropriation bill or be in order as an amendment thereto for any expenditure not previously authorized by law, unless in continuation of appropriations for such public works and objects as are already in progress. Nor shall any provision in any such bill or amendment thereto changing existing law be in order, except such as being germane to the subject matter of the bill shall retrench expenditures by the reduction of the number and salary of the offices of the United States, by the reduction of the compensation of any person paid out of the Treasury of the United States, or by the reduction of amounts of money covered by the bill.

There are a multitude of precedents to uphold my contention, and it is unnecessary for me to quote them. With complete unanimity they show that this paragraph is out of order, and I am assured that the Chair will so rule.

The CHAIRMAN. The point of order is sustained, and the Clerk will read.

The Clerk read as follows:

Detection and prosecution of crimes: For the detection and prosecution of crimes against the United States; the investigation of the official acts, records, and accounts of marshals, attorneys, clerks, and referees of the United States courts and the Territorial courts, and United States commissioners, for which purpose all the official papers, records, and dockets of said officers, without exception, shall be examined by the agents of the Attorney General at any time; for the protection of the person of the President of the United States; for such other investigations regarding official matters under the control of the Department of Justice as may be directed by the Attorney General, including not to exceed $10,000 for necessary employees at the seat of government, to be expended under the direction of the Attorney General for fiscal years that follow:

For 1913, $20,000.

For 1912, $866.62.

Mr. DYER. Mr. Chairman, I move to strike out the last word for the purpose of asking unanimous consent to insert at this point a statement prepared by the Department of Justice, showing the number of prosecutions that have been instituted under the white slave traffic act of June 25, 1910, to and including March 31, 1913.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

The statement referred to is as follows:

Summary of prosecutions instituted under the white-slave traffic act of June 25, 1910, to and including Mar. 31, 1913.

District.	Convictions.	Acquittals	Pending.	Sentence.			Fine.
				Years.	Months.	Days.	
Alabama, middle	2			3		1	
Alabama, northern	1		5	2			$100.00
Alabama, southern	7		1	6	3		800.00
Arizona	7	1	1	13	9		1,050.00
Arkansas, eastern			3				
Arkansas, western	2		3	2		2	250.00
California, northern	19	5	1	22	2		1,250.00
Colorado	11	2	7	7	6		125.00
Connecticut	1			1			1.00
District of Columbia	5			22		1	200.00
Florida, southern	7	1		7	9	1	750.00
Georgia, northern		2					
Georgia, southern	1		10	1		1	100.00
Idaho	7	1	1	4	6		600.00
Illinois, eastern	7		4	5	7	3	
Illinois, northern	29	4	8	51	10	5	2,663.00
Illinois, southern			1				
Indiana	1		1	5			1.00
Iowa, northern	1		1	2			
Iowa, southern	3	3		15			200.00
Kansas	1		1		4		5,000.00
Kentucky, eastern		1					
Kentucky, western	6		3		5		450.00
Louisiana, eastern	4	5	5	4	6	1	50.00
Maryland	17			13	8	2	475.00
Massachusetts	7	2		28	4	1	1.00
Michigan, eastern	44		6	71	1	2	900.00
Michigan, western	9	1	1	10	11		1.00
Minnesota	9			23	1		11,000.00
Mississippi, southern	2						750.00
Missouri, eastern	5	2	4	2	1	29	200.00
Missouri, western	22	2	2	27	4	2	2,550.00
Montana	16		1	14	8	1	4,451.00
Nebraska	7		8	11	5	1	400.00
Nevada	2			3			600.00
New Jersey	6	2		6	9	11	300.00
New Mexico			1				
New York, eastern	4		3	21	4		3.00
New York, northern	2						150.00
New York, southern	17	4	6	53			20,402.00
North Carolina, western		2					
North Dakota	1	1		2			
Ohio, northern	12		4	25	1	2	2,250.00
Ohio, southern	15	1	4	33	1		
Oklahoma, eastern	2				9		
Oklahoma, western		1					
Oregon	35	2	4	92	4	1	300.00
Pennsylvania, eastern	4	4	3	6	6	2	
Pennsylvania, middle	2			2	6		
Pennsylvania, western	12		2	10	7	12	725.50
South Carolina		1	2				
South Dakota	1						
Tennessee, eastern		8	4				

Summary of prosecutions instituted under the white-slave traffic act of June 25, 1910, to and including Mar. 31, 1913—Continued.

District.	Convictions.	Acquittals.	Pending.	Sentence.			Fine.
				Years.	Months.	Days.	
Tennessee, western	1	.....	.....	3	.....	.....	$500.00
Texas, eastern	4	.....	.....	21	.....	.....	.....
Texas, western	10	1	3	5	11	.....	560.00
Texas, southern	6	2	.....	5	6	1	500.00
Utah	18	2	8	67	3	.....	.....
Vermont	1	.....	.....	.....	7	.....	.....
Virginia, eastern	.....	1	1	.....	.....	.....	.....
Washington, eastern	26	3	8	29	.....	15	11,000.00
Washington, western	35	6	6	50	7	23	4,700.00
West Virginia, northern	7	3	1	14	6	.....	13,550.00
West Virginia, southern	3	.....	1	9	.....	1	.....
Wisconsin, eastern	4	.....	.....	4	3	3	1,200.00
Wyoming	6	.....	.....	14	.....	3	100.00
Alaska, division 1	.....	1	.....	.....	.....	.....	.....
Hawaii	1	1	1	3	.....	.....	500.00
Total	497	78	140	865	.....	7	91,658.50

The CHAIRMAN. If there be no objection the pro forma amendment will be considered as withdrawn.

Mr. MURDOCK. I renew the amendment, for the purpose of asking a question. I should like to know why the item for the protection of the person of the President of the United States is carried in a deficiency bill.

Mr. FITZGERALD. There is a deficiency in the appropriation for the detection and prosecution of crimes, and a deficiency appropriation is always made in the language of the original appropriating provision. This provision, relative to the protection of the person of the President of the United States, has been carried in this item for a great many years.

Mr. MURDOCK. You merely preserve the text of the item?

Mr. FITZGERALD. Yes.

Mr. MURDOCK. It is not intended to increase the expenditure for that purpose?

Mr. FITZGERALD. This appropriation has not been used for that purpose in years, but in case it should be necessary to make an expenditure for that purpose, this would be available.

The CHAIRMAN. If there be no objection the pro forma amendment will be considered as withdrawn, and the Clerk will read.

The Clerk read as follows:

Commerce Court: For expenses of the Commerce Court during the first half of the fiscal year 1914, namely: Clerk, at the rate of $4,000 per annum; deputy clerk, at the rate of $2,500 per annum; marshal, at the rate of $3,000 per annum; deputy marshal, at the rate of $2,500 per annum; for rent of necessary quarters in Washington, D. C., and elsewhere, and furnishing same for the Commerce Court; for books, periodicals, stationery, printing, and binding; for pay of bailiffs and all other necessary employees at the seat of government and elsewhere, not otherwise specifically provided for, and for such other miscellaneous expenses as may be approved by the presiding judge, $17,500; in all, $23,500, or so much thereof as may be necessary: *Provided*, That in the event of the enactment of a law discontinuing or abolishing said court, any balance of this appropriation remaining after the date of such abolition shall lapse and be covered into the Treasury.

Mr. MANN. Mr. Chairman, I reserve a point of order on the proviso. What is the effect of the proviso, and what is the necessity for it?

Mr. FITZGERALD. The gentleman understands that the next paragraph provides for the abolishment of the court on December 31.

Mr. MANN. I understand that.

Mr. FITZGERALD. It is possible that that provision might be amended so as to fix an earlier date, in order that there might be no question as to whether this appropriation would lapse after the date of the abolishment of the court, this proviso is inserted.

Mr. MANN. The only effect of this proviso is that if the Commerce Court be abolished, this money will lapse into the Treasury at once instead of waiting two years.

Mr. FITZGERALD. The language of the appropriating provision covers the first half of the fiscal year; the provision abolishing the court takes effect December 31. The belief was that if a different date was fixed for the abolishment of the court it would remove any controversy or claim that these employees were specifically appropriated for for a definite period.

Mr. MANN. Let us see what the effect of the proviso is. It says:

Any balance of this appropriation remaining after the date of such abolition shall lapse and be covered into the Treasury.

Supposing the court is abolished to take effect on some date in December which does not happen to be pay day. Unless these officers are paid up to that date there is no way for them to get their money without making another deficiency appropriation hereafter.

Mr. FITZGERALD. Oh, I think the gentleman is mistaken about that.

Mr. MANN. Because on the date of the abolition of the court this money lapses into the Treasury and could not be used to pay the officers who had rendered service prior to that time.

Mr. FITZGERALD. I think the construction would be, "remaining after discharging the obligations that were due."

Mr. MANN. I do not see how you could make that construction when it says "remaining after the date of such abolition." Officials can not construe language of this sort directly the reverse of what it says.

Mr. FITZGERALD. But they do.

Mr. MANN. They would not in this case, and as this money would necessarily lapse into the Treasury, I do not think it is safe to leave it so that these officials in all probability would have to wait for their pay for two weeks or a month's time until a deficiency appropriation was made in December.

Mr. BROUSSARD. Will the gentleman permit an interruption?

Mr. MANN. Certainly.

Mr. BROUSSARD. Let me suggest along the line of the gentleman's argument that if this bill appropriating for salaries that have been incurred since the 1st day of July and the amendment becomes the law, if the provision to abolish the court is incorporated in it, the salaries of all these employees would cease at once and would not be paid.

Mr. MANN. I think not, unless it fixes the date of the abolition of the court.

Mr. FITZGERALD. If the gentleman from Illinois insists on the point of order, we are indifferent to it.

Mr. MANN. I make the point of order on the proviso.

Mr. BARTLETT. We concede the point of order.

The CHAIRMAN. The point of order is sustained.

Mr. FITZGERALD. Mr. Chairman, I ask unanimous consent that the provisions of the bill beginning on the next page, 21, line 4, down to and including line 17, page 25, be passed until the rest of the bill has been disposed of.

The CHAIRMAN. The gentleman from New York asks unanimous consent that beginning with page 21, line 4, down to and including line 17, page 25, be passed until the rest of the bill is disposed of. Is there objection?

There was no objection.

The Clerk read as follows:

UNITED STATES COURTS.

For payment of salaries, fees, and expenses of United States marshals and their deputies, including the office expenses of United States marshals in the District of Alaska; to include payment for services rendered in behalf of the United States or otherwise, and including services in Alaska and Oklahoma in collecting evidence for the United States when so especially directed by the Attorney General, $4,500.

Mr. BARTLETT. Mr. Chairman, I offer the following amendment as a new paragraph.

The Clerk read as follows:

Page 25, line 25, strike out the figures "$4,500" and insert "$4,499," and add the following: "All Executive orders heretofore made placing the positions of deputy marshal and deputy internal-revenue collectors in the classified service, and all regulations made thereunder, are hereby revoked, and hereafter appointments to said positions shall be made in the same manner as obtained prior to the making of such Executive order."

Mr. FITZGERALD. Mr. Chairman, I reserve a point of order on the amendment.

Mr. BARTLETT. Mr. Chairman, the proposed amendment is offered to repeal the Executive orders that place deputy marshals who serve in the United States court and also deputy marshals who serve under internal-revenue collectors placed there by the order of Mr. Taft under the civil-service law, to take them out from under the civil-service law. Under these orders as now existing all deputies except those who serve processes are under the civil-service law. Now no appointments can be made in the office of the United States marshal or in the office of the United States internal-revenue collector except from an eligible list furnished after examination in the office of the Civil Service Commission or those now in office by reason of these orders. There was a change recently in the office of the internal-revenue collector in my State. The new incumbent wanted to fill the places of the deputy collectors and deputy United States marshals. He found that they had to be taken from the civil-service list or be furnished by an examination after the appointment of the new incumbent.

I happened to see some of those examination papers. They had made an effort to have appointed deputy United States marshals who have served processes, who go out and arrest people for the violation of the law, in some instances, frequently in my State, to make raid against illegal distillers—to arrest people

who are violating that law—and in order to become eligible imagine some of the questions that were put to them. For instance, to reduce vulgar fractions to decimal fractions, to give certain incidents in history—ancient and modern—and to locate some town in Ohio which even I, with my experience and association with Members from Ohio, do not know where it is. Then one of the requirements was to write a composition of 100 words upon the usefulness of women clerks. [Laughter.]

Just imagine the situation. A man who could not secure the necessary information as to where a particular town in Ohio was located, who could not take a vulgar fraction of a certain amount and reduce it to a long string of roots or to decimal fractions, who was not proficient in geometry and other things, would not be fit to serve process or go out into the mountains and arrest a moonshiner and bring him before the court. That is the preposterous and ridiculous civil service that we have in this matter. We have had for 16 years and more upon the rolls of the Government deputy marshals in the office of the collector of internal revenue who were appointed by Republican officeholders in that State, as they are in other States. Many of them were not efficient and in order to get rid of them, in order that the people to whom have been restored the right to have efficient officers from that dominant party in that State, which constitutes and has constituted since 1865 the intelligence and virtue of the people—in order that the officers thus appointed by the Democratic administration may be selected from the intelligent and efficient people, be they deputy United States marshals or deputy revenue collectors, to enforce the law, to serve process, I have offered this amendment.

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

Mr. BARTLETT. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BARTLETT. Mr. Chairman, I have only this to say with reference to the point of order. Of course I have endeavored to comply with the rule, paragraph 2 of Rule XXI. I have reduced the amount carried in this bill by $1. The rule does not say whether you shall reduce it by $1 or by $1,000,000. Of course I frankly state to the Chair that I have done that in order to comply with the rule, but if this amendment passes, Mr. Chairman, then the appropriations for the Civil Service Commission necessary to hold these examinations in order to fill these offices will not be used, and, therefore, I say it reduces expenditures and reduces the amount carried in the bill.

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

Mr. BARTLETT. Yes.

Mr. CULLOP. At the time the Executive order was made placing the deputy marshals and assistants in the marshal's office and in the office of collector of internal revenue under the classified list, had these men obtained their positions through competitive examinations?

Mr. BARTLETT. No; and they could not have obtained them under any sort of examination in a number of cases. They obtained them because of political reasons. They had obtained them because every four years they were necessary, when it came time to select delegates to Republican national conventions. It was necessary to give these little offices in many instances to members of the colored population in order to hold the colored brother in a particular district in line, so that he could accompany his white United States marshal or internal-revenue collector to Chicago, or wherever the convention was held, and be in line. The last time they wanted something else, and they got something else, as was demonstrated by the fact that when they returned to Georgia and other Southern States their wealth had somewhat increased, and those who went there in a very impecunious condition came back rather flush. That is the answer to the gentleman from Indiana. These men obtained these positions by reason not of civil-service examination but of political preferment, and it does not satisfy me to have gentlemen now say, "You want to return to the spoils system of the Republicans." We want an opportunity for the intelligent officeholder now in office—the collector of internal revenue and the United States marshal, who are Democrats, who have been appointed by this administration because of the fact that they represent the intelligence and worth and virtue of the people of that State—and they could not do anything else, being Democrats—we want these men, selected by a Democratic administration on account of their prominence and intelligence, to have an opportunity to select these officers from the intelligence and worth of the white Democratic population.

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

Mr. BARTLETT. Yes.

Mr. LANGLEY. Will the gentleman be opposed to those Democrats when they are appointed to these places, having anything to do with politics, especially in his district?

Mr. BARTLETT. I would certainly rather they would do that and attend to their business and leave politics alone.

Mr. LANGLEY. I hope the gentleman will stick to that.

Mr. BARTLETT. The gentleman knows I do not generally dodge and do not generally recede from any position. It is not necessary with me to do it, as is often the case with the gentleman from Kentucky, and occupy two positions upon the same question.

Mr. LANGLEY. Oh, the gentleman certainly does not mean that, because he knows I have never done that in my life, and I did not mean to infer that he did.

Mr. BARTLETT. No, I do not. I withdraw it. It was not said seriously.

Mr. LANGLEY. I have even consistently admired the gentleman from Georgia for many years, and that is a pretty fair test of my stability; and I——

Mr. BARTLETT. I withdraw the remark. I do not believe it anyhow, as the gentleman well knows and can feel assured.

Mr. LANGLEY. I thank the gentleman; I was sure he did not mean it.

Mr. FITZGERALD. Mr. Chairman, I am a believer in the merit system. [Laughter and applause.]

Mr. MANN. Will the gentleman reserve the point of order?

Mr. FITZGERALD. I am going to argue the point of order.

Mr. MANN. Will the gentleman reserve the point of order?

Mr. FITZGERALD. Yes; I am a believer in the merit system. That seems to have occasioned some doubt——

Mr. MANN. I want to take the floor for a moment.

Mr. FITZGERALD. Well, maybe I had better wait.

Mr. MANN. Mr. Chairman, I do not wish to discuss the point of order. Mr. Chairman, it is quite within the power of any newly appointed Democratic marshal or other official, with the consent of the Treasury Department and the Department of Justice, to discharge deputy marshals, internal-revenue collectors, or any other officer under them. There is nothing in the civil-service law or Executive order which will prevent the discharge of anyone who is incompetent or of anyone who is competent if the authorities desire to discharge them. There is nothing in the argument of the gentleman from Georgia [Mr. BARTLETT] in that respect, because the authority to discharge already lies in the departments, but the proposition of the gentleman from Georgia is that in making new appointments men shall not be appointed because they are qualified, but because he or somebody else wants them appointed for political reasons. If they had the qualification they can take the examinations and pass them. I do not believe there will be a Republican, not one in a thousand, appointed to any of these places under the civil-service laws or under the so-called merit system. I should advise a Republican who is taking one of these examinations for an internal-revenue collectorship or a deputy marshalship that he might do it to pass away the time if his time was hanging heavily on his hands, but if he desires to accomplish anything he had better go and dig on the road, because he would have no chance of appointment. But what the gentleman seeks to avoid is to have men who are to be appointed have some intelligent qualifications. The difference between the spoils system and the merit system is not a matter of discharge; it is a matter of appointment. Under the merit system a man has to show some qualifications outside of being a political bruiser; under the spoils system a man's chief qualifications are that he can rob a ballot box and prevent voters from voting, either by force or fraud, and pay by political services——

Mr. HARDWICK. The gentleman, I suppose, of course refers to conditions under a Republican administration, to former experiences?

Mr. MANN. Oh, that is what the gentleman from Georgia is seeking to avoid, to prevent the application of the merit system which has been in force. Mr. Chairman, the most disgusting exposition which I have ever heard of——

Mr. BARTLETT. May I interrupt the gentleman?

Mr. MANN (continuing). In a great parliamentary body, if the newspapers are correct, took place in this Hall on Friday last when the Democratic Members of a great body, hungry and thirsty for pap, passed a resolution to fire out every employee of this body, regardless of past services, in order that some one on the Democratic side of the House should have the pleasure of putting into office some peanut pimple somewhere to draw pay from the Government. [Applause on the Republican side.]

Mr. HARDWICK. Will the gentleman yield? I was not present at the caucus.

Mr. MANN. And neither was I.

Mr. HARDWICK. And I can establish an alibi——

Mr. MANN. Though I came very near it——

Mr. HARDWICK. The resolution to which the gentleman refers did not at all affect the minority employees of the House, and those are about all the Democrats we got when the gentleman's party had the House.

Mr. MANN. My understanding is that it did affect minority employees of the House.

Mr. HARDWICK. No. No minority employees of the House were affected.

Mr. MANN. Minority employees so understand and say it did.

Mr. HARDWICK. I want to reassure the gentleman. He is mistaken on that point.

Mr. MANN. I hope so.

Mr. HARDWICK. I know so.

Mr. FOSTER. Mr. Chairman, I agree with my colleague from Illinois [Mr. MANN] that men who are appointed to office should have the necessary qualifications to fill the office to which appointed. I had occasion lately to look up some matters in relation to the civil service in the State of Illinois during the last administration, and my investigation has shown me that in all the civil-service boards in the twenty-third congressional district, which I have the honor to represent, not a single, solitary Democrat has been placed on any board for the examination of any applicant to any position. And yet the law provides that these examining boards shall be nonpartisan.

It has been so in the country in which I live that whenever a number of applicants came up for examination invariably a Republican received the appointment, until finally it came to pass that a Democrat did not go and take the examination any longer because he realized, as my colleague has just said, that he might just as well go out and dig in the earth.

Talk about the merit system. Under the past administration there has been none of that under civil service.

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

The CHAIRMAN. Does the gentleman from Illinois yield to the gentleman from Kentucky?

Mr. FOSTER. Yes.

Mr. LANGLEY. Does the gentleman mean to say that these men who have been holding these examinations have willfully violated the law and have rated papers wrongly?

Mr. FOSTER. I have not charged that they have done that.

Mr. LANGLEY. Well, the gentleman's language means as much as that.

Mr. FOSTER. I charge this, and the records show it: That in every examining board that has been established every single examiner in the twenty-third congressional district of Illinois—and I am not speaking for others—has been a Republican.

Mr. LANGLEY. That is a nonpartisan board. That is what "nonpartisan" means.

Mr. FOSTER. I contend that the men who as Republicans are attempting to hold positions under a Democratic administration ought to have courage to resign and get out of the service. This is a Democratic administration. A letter which was written by a Republican postmaster in the State of Illinois that has come to my attention, in which he said to a Senator:

SHELBYVILLE, ILL.

MY DEAR SENATOR: Noting from the Washington news in the metropolitan press to-day that a number of Republican postmasters are appealing to you "to save them from the wrath of the present administration," I am constrained to arise and inquire "Are they patriots or merely professional pap suckers?"

"To the victor belongs the spoils," and it strikes your Uncle Dudley that the whimpering and whining of such so-called leaders of the G. O. P. is discreditable to them and a disgrace to the party responsible for their elevation to the position they hold.

Save 'em, Senator, from the wrath of the powers that be, otherwise they will be minus a few thousand in salary. And to the man up the sapling it looks much as though it is the fear of this that is driving them to the limit of exposing the yellowishly disgusting streaks in their composition. And sympathy expended on the "yellow," whether in man, monkey, or canine, is sympathy wasted.

Very respectfully,

H. M. MARTIN,
Postmaster.

(Resignation filed.)

[Applause on the Democratic side.]

Mr. CULLOP. Mr. Chairman, I take it that the amendment offered by the gentleman from Georgia [Mr. BARTLETT] is not subject to a point of order, for the reason that it does provide, although in a small sum, for the reduction of the appropriation.

Now, the amendment of the gentleman from Georgia does not preclude persons who are hereafter appointed to these important places from being examined. The only effect of this order is to set aside the Executive order covering these men in the classified service who were appointed for their political service and as political henchmen. The President, in making new appointments, may require the applicants to be examined just as provided now; but I take it that the amendment ought to be passed for the good of the service. I am astonished at the gentleman from Kentucky [Mr. LANGLEY] when he asked the gentleman from Georgia whether these men could take part in the political affairs of the country. What objection could be urged to an official taking part in our political affairs? As a citizen he has that right, and, in my judgment, should exercise it.

They have been doing so under the civil service, and the civil service has constituted the greatest political machine that was ever erected in this or any other country. [Applause on the Democratic side.] The rural route carriers are, and have been for the last 15 years, the greatest auxiliary that the Republican Party has had in this country. They take the polls; they report the political conditions; they examine into the political affairs along their routes, and report them to their county committees. They are the main sources from which the funds for political purposes are collected in every State in the Union. You will not keep men out of politics by giving them office, and should not do so. They are politicians still, and the machine has been operated under the civil service for the purpose of putting in office the most astute politicians they have and to work the political games all over the country. These men have done it with telling effect in the past and will continue to do so in the future.

As the gentleman from Georgia [Mr. BARTLETT] has said, the examination is a farce. For what would you examine a man who is to carry the mail along the public highway? What qualification would it take other than the ability to read and write? Yet an examination is held for the appointment of rural mail carriers. It has been used for the purpose of picking out the best political workers the party in power had, and they have worked the game most successfully all over the country. I hope the amendment of the gentleman from Georgia [Mr. BARTLETT] will be adopted. I believe that a Member of Congress is more interested in good public service in his district than is a political machine or the Civil Service Commission wherever it may act. Other considerations than education alone enter into the qualifications for office. It sometimes is the least important. Business and executive ability are always of prime importance and form an important function in the selection of officials. All these elements are essential in the selection of a public official.

Mr. STAFFORD. Do I understand the gentleman to say that in the appointment of rural carriers, until the recent change whereby the postmaster was allowed to make a selection of one from the three highest candidates, any political consideration whatever was given to the appointments under the civil service?

Mr. CULLOP. I can not tell whether he examined to find out the politics of the applicant or not, but I will say it has been the most remarkable coincidence I have ever known that a chapter of accidents seems to have always come along and the best Republican worker was selected for the place. That has been the result since the order was made.

Mr. LANGLEY. Perhaps that was because he was the smartest man.

Mr. STAFFORD. That was because the best qualified men in the State of Indiana happened to be Republicans, but it has not been the fact that politics was taken into consideration so far as the appointment of rural carriers under the civil service is concerned.

Mr. CULLOP. As the gentlemen are both woefully mistaken, both as to Indiana and elsewhere, the Republican was not the smarter or the better, but the Republicans had the civil-service machine and worked the Republican in office every time until the people knew civil service as practiced by the Republican Party was a farce.

Mr. STAFFORD. I am only referring to the gentleman's district.

Mr. CULLOP. No; nor in my district, either. The gentleman will understand that my district has more intelligent and able Democrats in it than it has Republicans. That is the reason it is Democratic. [Applause on the Democratic side.]

Mr. STAFFORD. That does not apply to the rural carriers.

Mr. CULLOP. Yes; it does; and I will say it will compare favorably with any district in the country; but the Republican Party operated the civil-service machine, and that is how it controlled the examination. The manner in which it has been operated is to be deplored by all high-minded people. I am sure there are quite as many people in my district of as great intelligence as in the gentleman's district, able and competent to serve the people, who belong to the Democratic Party, and who could not succeed, though, because of the partisan political machine as operated by the Republican Party. [Applause on the Democratic side.] The Democrats in my district are intelligent, and that is the reason they are Democrats.

Now, take the men selected in the Internal-Revenue Service. They have not been selected for competency. Take the men in the Federal marshalship. They have not been selected for competency. They have been selected for their political service, as a political reward, and then the blanket order of the civil service was spread over them and they were placed in the classified service. Now, I want to know if anybody can contrive a greater political machine than that which resulted from the order that put these men in the classified civil service. Yet that is upon a par with all civil-service procedure for the last 15 years in the United States.

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

Mr. CULLOP. Certainly.

Mr. LANGLEY. Does not the gentleman recall that under a previous Democratic administration there were thousands of men appointed in the various Government departments as a reward for political service who were afterwards covered into the classified service by Executive order?

Mr. COX. But they were taken out.

Mr. LANGLEY. No. I beg the gentleman's pardon, most of them are still in.

Mr. CULLOP. If that was done, I assume that they were competent, and if they were not competent then it ought not to have been done. One wrong is never a valid excuse for the commission of another wrong, and if this was done, as the gentleman from Kentucky asserts, then it furnishes another evidence of the great farce that is made of the civil-service law. He furnishes, by the example cited, splendid proof of the great frauds committed under the guise of civil service. It is about time the fraud was exposed.

Mr. LANGLEY. It was done nevertheless, and they have never stood any civil-service test.

Mr. CULLOP. What service?

Mr. LANGLEY. Why, in every department of the Government service.

Mr. CULLOP. Further and better proof of the deception practiced under it. Now, if ever a better example was furnished for the exposure of the deception which has been practiced under the name of civil service I have never heard of it, and I am sure I do not know where it could be found. Oh, how indefensible the conduct has been under it. No wonder the people all over the country denounce it as a fraud, and its administration a great farce.

Whenever an attempt is made to correct the great evils grown up under it the attempt is met with the cry of spoilsmen, hungry horde, and such odius unfounded cries, but the people care not for these.

Mr. Chairman, I can conceive of no higher purpose, no more laudable ambition of any man than a desire to serve the people faithfully and well. To aspire to public office is laudable, is noble, and it is no disparagement to any person to have such aspirations. To serve one's country well and attempt to better the conditions of the country and of the people is worthy of the best efforts of any man, and the best men the country has produced have spent their energies and talents in the public service, hoping by so doing to improve conditions and earn a place famous in public history. We accord them the full measure of praise and point with pride to their achievements. Because they aspire to public office does not brand them as party spoilsmen, as public plunderers, but, on the contrary, as worthy, patriotic, public-spirited citizens, who endeavor to improve public conditions and advance public welfare.

It is not against the civil service we advocate this amendment for the annulment of this Executive order it will, if adopted, set aside. We are for good civil service. We believe in efficiency in public office. We believe in the improvement of the public service. We know, however, in order to secure good public service, efficient service, it is essential that this order be annulled and set aside. Those who are sheltered by it in their tenure of office did not obtain their positions by competitive examinations, but solely because of their political services and as reward for the same. They were selected as political henchmen, and, when appointed, then by Executive order were placed in the classified service by a Republican President. It was the act in so doing of a political spoilsman to protect his political henchmen and reward them for their political services. The issuance of the order was for political purposes and for the benefit of fellow partisans. It is indefensible and should be set aside. President Wilson would never be guilty of such partisan politics or strike such a blow at public service. He is too high minded and too patriotic to stoop to such partisan methods.

It is not against the civil-service law we contend so much as it is against the partisan and unfair administration of the same. For 16 years it has been used to build up a strong and impregnable partisan machine and has been most successfully operated for that purpose all over the country. It has been used for the purpose of placing party workers in office for life, to pay party debts, and to continue the operation of party methods. In this respect it has been most successfully operated, from the highest to the lowest, and its maladministration deserves the severest condemnation of all good citizens, irrespective of party, who believe in good public service and desire the intelligent administration of the same.

For what reason we are unable to conceive that all of the subordinates in the internal-revenue collectors' offices, in the Federal marshals' offices of the country, after being appointed for their partisan services should be, by Executive order, placed under the classified civil service. We think no man on this floor will attempt to explain, defend, or justify it. It had but one object in view and that was to fortify the administration in power and strengthen the machine to be operated for its continuation.

Men should be selected for these places who are practically adapted to the service. Some may be better adapted to the service who are not so highly educated as others who would win over them in a civil-service examination, and especially when the examination was a farce, such as has usually been the case for the last decade or more.

It is useless to talk about a man divesting himself of his politics when he is appointed to office. This he will not and could not do if he wanted to. It has not been done in the past and we do not believe it will be done in the future. Every citizen of this Republic should take an interest in the political affairs of the country, and most assuredly one who does not take such an interest would not be the best person to be selected to administer a political office under any administration. This is a Government of parties, and the majority party which is to form the policies of the Nation should most assuredly have as its subordinates in office men who are in sympathy with its policies, men who believe in the success of its policies and who would help carry them out, men who believe the party in power is right and would lend every honorable effort in their power to make it a success.

No business management in this country would attempt to run the same with all of the subordinates opposed, to the policies and whose greatest ambition was to make the same a failure. The management would not permit this to exist and would immediately discharge the subordinates and place in their stead persons who were in full accord with the policies of the management of the same. This is true of a government as well as of a business. The management of this great Government is a great business and the subordinates in office should be in hearty accord and full sympathy with the management of the same, and unless they are they will not be enthusiastic for its success, but, on the other hand, will rejoice in its failure and quietly lend their efforts to that end.

Mr. Chairman, there is another feature about the civil-service office-holding class which should not be underestimated and should at all times receive consideration. For the last four years the great army of officeholders under the civil service in this Government have had the most powerful lobby operating at this Capitol that was ever known in the history of the Government. The purpose of this lobby was to secure the passage of an old officers' pension law, one that would eventually, at an age to be fixed by law, retire them from office on a salary. Once pass this law and this Government will never be able to secure the repeal of the same, and no man could approximate the cost to the people it would entail.

To-day in this Government there is an office-holding class of 500,000. What will the number be in 10 years from now with the business of the country growing by leaps and bounds? With new responsibilities being added almost daily, all requiring an increase of the officeholders of the Government no man, therefore, would attempt to approximate the great cost, the enormous burden, such a law would be upon the citizenship of this Republic.

When we contemplate it, when we view the conditions as they are existing to-day with this great force of officeholders pleading with Congress to pass such a law we can realize to some extent, but only to a small extent, the enormous burden this would impose upon the American people—a burden to continue for all time.

For one, I am opposed to a life tenure of office. I do not believe it is good for the service. On the contrary, I believe it is a detriment to the public service. Once a person has secured an office for life, free from all duty to answer to the public for its administration, such officeholder no longer has

aspirations to forge to the front or to improve the conditions of his office. Since I have been a Member of this House at least $500,000 has been appropriated for the Secretary of the Treasury to employ experts for the purpose of installing in that great department of the Government up-to-date methods. On each occasion when such appropriation was made it was stated that the business methods of that, the greatest business department of our Government, were antiquated and altogether out of date. It is to be remembered that nearly all of the employees in that office are under civil service, holding their office for life, and for this reason the conditions there existing can be attributed more to this fact than to anything else. If they had been holding office for a term of four years, with the opportunity for reappointment, it would have been an inspiration to them to improve the conditions in that department, to forge forward, and to make greater endeavor to make that great business place a model for all other business institutions in the country; but, content with the places they held, knowing the same were for life, they have had no ambition to forge to the front and to improve the conditions in that great department. Instead of securing good public service, the history of the operation of this law I think will clearly demonstrate that it has operated rather against than in favor of good service. The example of the Treasury Department of the Government is only one of many of the examples to be found in other departments regarding the public service. It has operated more to the deterioration of the service than to the improvement of the same.

The people last fall voted for a change not only in the Presidency, in the Cabinet, but in all of the departments of public service as well. They expect this change, and they will not be satisfied unless the same is made. I sincerely hope this amendment will be adopted, the Executive order of President Roosevelt against which it is directed set aside, and these subordinate places open for appointments to fill the same. This, in my judgment, will improve the public service and be of a very great advantage to the country. It will infuse new blood, new energies, and better ability in the public service, and the country then will realize that a public office is a public trust and not alone a private sinecure, as now is found too often to be the case. It is not fair, I assert, to ignore the people who were public-spirited enough, patriotic enough, to bear the burden of the great political conflict which raged all over the country, and waged and won the battle to redeem this Government from the political bandits who were prostituting it to selfish purposes at the behest of the special interests, and now leave those same officials in office. The people will not be satisfied if this is done, but they demand and are entitled to changes all along the line in order that the policies for which they then stood shall be successfully carried into execution and the men who fought for those policies inducted into office to assist in the administration of public affairs.

Mr. BORLAND. Mr. Chairman, I am going to oppose the amendment if it gets past the point of order. I would not undertake to defend the civil service as it has been conducted under the Republican régime. I would not undertake to defend nor do I regard as defensible the order of the President of the United States, in the closing days of his administration, on the eve of a national election, covering into the civil service a lot of political employees. Nobody can defend the order of President Taft of October, 1912. I believe thoroughly in the modification of that order made by President Wilson requiring those men to go before an examining board and show their qualifications.

Mr. BARTLETT. Let me say to the gentleman that this does not refer to fourth-class postmasters.

Mr. BORLAND. I am well aware of that, but the discussion has taken a wide range. I understand that this amendment applies to deputy United States marshals and deputy internal-revenue collectors. Irrespective of all talk about good Democrats being found to fill the offices of deputy marshals, which unquestionably is true, in spite of all this dust that has been kicked up over the Executive order, I believe that what the people of the United States are demanding is an extension of the civil-service system rather than the curtailment of it.

Mr. HARDWICK. Will the gentleman yield?

Mr. BORLAND. Yes.

Mr. HARDWICK. Does the gentleman regard it as an extension of any correct civil-service principle to cover people into offices who have never been examined?

Mr. BORLAND. What is the use of taking up my time in that way with a question about a statement I had just covered?

Mr. HARDWICK. That is a legitimate question.

Mr. BORLAND. I just covered that matter. I believe the order of President Wilson compelling these parties to take an examination is in the direction of the extension of the system, and that the order of President Taft was a gross violation of the letter and the spirit of the civil-service law. If I did not make that clear at first, I will make it clear now, even to the gentleman from Georgia.

I believe the people of the United States are going to demand the extension of the civil service rather than its curtailment. They are not going to demand the extension of the Republican doctrine, "To the victor belongs the spoils," irrespective of the fact that we have been accused for a number of years of originating the doctrine 100 years ago.

Here is the fact about the matter: The greatest plums of a political sort are going to men of no experience in the office they seek to fill. The postmaster at St. Louis gets $8,000 a year—more than any one of the four Assistant Postmasters General. Eight thousand dollars a year! There has recently been appointed a postmaster at St. Louis, after a fight that took the time and energy of 100 politicians and all the delegations from the State of Missouri. This fight took time and energy, to the total eclipse of public business, public interest, or party policy, as I believe. Much energy was devoted to seeing who got the $8,000 job for four years in the city of St. Louis. Was there a single applicant for the office who claimed to know anything about running a post office? Why, every kind of an indorsement and inducement was offered in favor of a candidate except that they had qualifications or experience for the office. The postmaster gets $8,000. The First, Second, and Third Assistant Postmasters General get $5,000. The postmaster at St. Louis has not the discretion to fire a colored janitor without instructions from Washington. The governor of Missouri gets $5,000. The United States district judge in St. Louis, who stands at the head of the bar and must have a technical and professional education, gets $6,000. The circuit judge who sits in the circuit court of appeals gets $7,000. The counselor of the State Department, who is a man big enough to run any Cabinet office and who is big enough to run any kind of a position, gets $7,500. The postmaster in St. Louis gets $8,000. Is it any wonder that that job becomes the vortex of every political fight in the State of Missouri?

What sane business man would hire a man for $8,000 to run his business at St. Louis, discharge him at the end of four years, and hire another man who had never served a day in a post office? Would any sane business man run a business in that way? The American people are not going to run their business in that style.

The American peopie are going to demand that the men who fill these places, the United States postmasters, United States marshals, and United States collectors of internal revenue, be men qualified by experience to discharge the duties of the office that is committed to them.

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

Mr. BORLAND. I will very gladly yield if I can get an extension of time.

Mr. BARTLETT. What did the gentleman say to this proposition? These men affected by this amendment have never stood any civil-service examination, and were covered into the civil service by Executive order.

Mr. BORLAND. Yes; and that is a violation of the letter and spirit of the civil-service law, and will be so recognized by the American people; but I say that it is no defense for the Democrats to repeal that order, and put nothing in its place that extends the real virtue of civil service. I say it is our duty to correct the evil and not to continue it. Take the collector of internal revenue at a place like St. Louis or Kansas City. Under the new income-tax law a large amount of work will be added to that office. They tell me down at the Treasury that they are holding back appointments of these men until the income-tax law passes, because they will have to have men of a great deal bigger caliber to hold that office than formerly. I know that the collector of internal revenue of Kansas City was so densely ignorant of the plain provisions of the corporation-tax law that it cost hundreds of dollars of loss in fines and penalties and repetition of work on the part of business men. There was not a shadow of excuse for the way that office was run.

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

Mr. MURDOCK. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to continue for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BORLAND. We are now confronted with a situation where the collectors of internal revenue will have not only the corporation tax to impose, but the income tax. Of course the corporation tax affects only the corporations of the country, and none of us have very much sympathy with them, it is true, but

the income tax will affect every citizen, and every business man will be interested in seeing that the man who is the United States collector of internal revenue is a man who understands the business that he is called upon to do. This idea of picking up a man who never had a day's experience in any counting-house, who has no knowledge of the law under which he acts, who has no elementary knowledge of bookkeeping, necessary to examine a statement and tell whether it is correct, and putting him in a position of responsibility is going to be in direct violation of the will of the American people. The Amercan people are going to demand the same degree of technical training for these positions that they do now for the judiciary, and that they do in many cases, and I believe in most cases, for the legislative office. A man who goes before the people as a candidate for legislative office must in some way demonstrate that he is fit and able to hold the office. A man who goes before them for a judicial office must demonstrate that he has some ability as a lawyer, and that his brother lawyers have confidence that he will be able to properly handle the office, but a man can be put in as postmaster who never saw the inside of a post office and can draw $8,000 a year, which is supposed to be the salary of an experienced and technical man.

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

Mr. BORLAND. Certainly.

Mr. DYER. What suggestion does the gentleman have to make to remedy that condition? Having had four years' experience as a postmaster, does the gentleman not think that the man should be kept in office?

Mr. BORLAND. If we had any good postmasters in office at the present time that would be a very good remedy, but inasmuch as the postmaster of St. Louis was nothing but a Republican chairman when he was appointed, that remedy would not hold good.

Mr. DYER. The entire business public of St. Louis, regardless of politics, have commended him for his administration of the office.

Mr. LANGLEY. And a lot of Kentuckians are familiar with it also. They have even heard of him over there and have heard how efficient he is.

Mr. BORLAND. I recognize the pleasantry the gentlemen are indulging in, but I am satisfied that a $2,500 or a $3,000 Government clerk could have run the office just exactly as well, and I say that the American people are going to demand the extension of the civil service to the position of collector of internal revenue and the first and second and third class postmasterships.

Mr. SIMS. Is it not the understanding of the gentleman that our present Postmaster General desires an extension of the civil service to first, second, and third class postmasters?

Mr. BORLAND. I have no knowledge of that, but am glad to hear it.

Mr. SIMS. I understand that to be the fact.

Mr. BORLAND. I hope that to be true. I believe in that he will have the American people back of him. You can talk about getting good Democrats for jobs in place of bad Republicans, but when you put it up to the tribunal of public opinion they are going to look to the question of efficiency and economy, and that is the only argument that will go with them. It is not a question whether A, B, or C gets a job; it is a question of whether the business of the Government is transacted in the way the people want it transacted. In the past it has not been so transacted, and I believe the time is coming when the American people will demand a change, and they will want the man who will have a job calling for $8,000 who will have experience and technical ability, and not $8,000 worth of politics.

Mr. DYER. Will the gentleman permit a brief question?

Mr. BORLAND. Yes.

Mr. DYER. The gentleman has referred to the new postmaster appointed at St. Louis a day or two ago by the President.

Mr. BORLAND. Yes.

Mr. DYER. And spoke of the qualifications for a man for that position. I want to say to the gentleman that the gentleman whom the President has appointed postmaster, a Democrat living in my district, is a most efficient man and in my judgment will give splendid service in that position. [Applause on the Democratic side.]

Mr. BORLAND. I do not know but that is a doubtful compliment coming from a Republican, but I will accept it as a real compliment. I will accept it that he is a satisfactory man for the place. For my own part I should not be surprised that he is satisfactory to the Republicans. But it does not alter the situation at all. Mr. Selph never saw the inside of a post office. That office if it is worth $8,000 to the American people is worthy of an $8,000 man of technical training and experience, because the men who draw $5,000 salaries under the Federal Government here in Washington are men of the highest training. The Director of the Geological Survey, one of the greatest scientists in the Union, gets $6,000. The Commissioner of Public Lands, the Commissioner of Patents, the Indian Commissioner, all get $5,000—men who are expected to have technical training. You can not pick up any lawyer, any ex-candidate for Congress, any county chairman of a committee and make him postmaster at $8,000. Either the salary does not fit the job or the job does not fit the salary. Now there are only five offices in the United States that pay $8,000—New York, Boston, Philadelphia, Chicago, and St. Louis. There is no reason why they should, absolutely no reason. There are some others that pay $6,000—Kansas City, Cleveland, and so forth. There is no reason why they should. There is no doubt in any man's mind that a $3,000 man promoted by civil service can do all the work. We have a Republican postmaster at Kansas City who has been there six years. We got under law an assistant postmaster who was a Republican politician who got up the Roosevelt Club No. 1, and the assistant postmaster had to go because Taft was still in office. They could not agree and he was dismissed, and the postmaster promoted a man from the ranks by the name of Dan Clawges. There is not a man in Kansas City who knows what the politics of Clawges are, but the Kansas City post office is run well and run by a man at a salary of $2,500 a year. Why, there are plenty of men in the civil service in St. Louis who can run the post office better than Mr. Akin or Mr. Selph.

Mr. DYER. Mr. Chairman, I ask that the gentleman have additional time on account of the interruptions.

Mr. BORLAND. Mr. Chairman, I do not desire any further time.

Mr. FITZGERALD. I will object. Mr. Chairman, I stated a little while ago that I was in favor of the merit system, and yet I have great sympathy for the gentleman from Georgia [Mr. BARTLETT] in this amendment. These officials give bond to their immediate superiors, and there is a personal liability which places them in a different category. As an illustration of how this matter was conducted under the Republicans. I wish to read a part of a letter which I have just received from a constituent:

> On September 19, 1896, I entered a competitive examination for the position of deputy collector of internal revenue, held in Brooklyn, N. Y., and having passed with a general average of 93.10 was duly appointed on January 27, 1897, a deputy collector for the first district, State of New York.
>
> A certificate to that effect was issued and signed by John C. Kelley, then collector of said district.
>
> I served continuously in that position until December 31, 1899, when I was dismissed by Frank R. Moore, the succeeding collector. No charges whatsoever were preferred against me. I was dismissed solely for political reasons and none other.
>
> Collector Moore's action was the outcome of several conferences with a Republican delegation from Suffolk County, who urged him to appoint as deputy collector one A. M. Darling, of Suffolk County, to be assigned to that county. At that time I was detailed to the Suffolk County district.
>
> The visits of this delegation occurred immediately after the suspension of the civil-service rules applicable to deputy collectors of internal revenue, and in consequence of which Collector Moore asked for my resignation. He stated at the same time that he had no fault to find with my work, but he was obliged to give some recognition to the Suffolk County Republican delegation and wanted to appoint in my stead one whom it recommended. I refused to resign, and thereupon he directed my removal, to take effect December 31, 1899.

That is how this matter operated when it was to the advantage of the Republicans.

But, Mr. Chairman, this amendment under the rules of the House is not in order on this bill. However much I might sympathize with it, I must insist upon the point of order.

The pending paragraph is one to supply a deficiency for the payment of salaries, fees, and expenses of the United States marshals and their deputies for the fiscal year 1913. The proposed amendment is not germane to that paragraph, for the reason that it applies to an entirely separate and distinct matter; that is, the method of appointment of deputy marshals and deputy collectors of internal revenue in the future, and under the rule such amendments, so as to be in order under the so-called Holman rule, must not only affect the amount carried by the bill, but must be germane to the paragraph to which they are attached. There is nothing in this paragraph at all except supplying a deficiency. This amendment purports to annul Executive orders relative to the manner of appointment of deputy marshals in the Department of Justice and deputy collectors of internal revenue in the Treasury Department and to regulate the manner of their appointment in the future.

Mr. THOMAS. Mr. Chairman, I move to strike out the last word.

Mr. FITZGERALD. That is not in order.

The CHAIRMAN. A point of order is pending. The Chair is ready to rule. The Chair sustains the point of order. The

Chair does not think the amendment is germane to the subject matter of the bill.

Mr. THOMAS rose.

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

Mr. THOMAS. Can I have five minutes in my own right?

The CHAIRMAN. The gentleman can move to strike out the last word.

Mr. THOMAS. Yes; I move to strike out the last word.

The CHAIRMAN. The gentleman from Kentucky [Mr. THOMAS] is recognized for five minutes.

[Mr. THOMAS addressed the committee. See Appendix.]

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For miscellaneous expenditures in the discretion of the Attorney General, including the same objects specified under this head for this institution in the sundry civil appropriation act of August 24, 1912, $8,004.01.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Kentucky [Mr. THOMAS] asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

Mr. FOSTER. Mr. Chairman, I hope the gentleman will not ask for revision, but just for extension.

Mr. MURRAY of Oklahoma. It is fine enough as it is, you know.

Mr. THOMAS. Only extension.

The CHAIRMAN. Does the gentleman from Illinois [Mr. FOSTER] object?

Mr. FOSTER. No; I do not object. I simply suggest that the gentleman ask unanimous consent to extend his remarks in the RECORD.

Mr. THOMAS. I make that request, Mr. Chairman.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

POST OFFICE DEPARTMENT.

The bequest of the late C. F. Macdonald of $2,000 to the Secretary of the Treasury for the service of the Post Office Department, to be used by the Postmaster General for the improvement of the postal money-order system of the United States, is accepted, and an appropriation of said amount is hereby made, to be expended under the authority and direction of a commission of three persons, who shall be appointed by the Postmaster General and serve without compensation.

Mr. MURDOCK. Mr. Chairman, I should like to ask the chairman of the committee what is the meaning of the paragraph providing for the acceptance of the bequest of the late C. F. Macdonald?

Mr. FITZGERALD. C. F. Macdonald was the father of the postal money-order system. He died some years ago, and in his will bequeathed $2,000 to the United States, to be used by the Post Office Department in perfecting and improving the postal money-order system. The money can not be covered into the Treasury and it can not be used without authority from Congress. The Third Assistant Postmaster General, Gov. Dockery, said that if the provision were inserted in this bill the Postmaster General would appoint a commission of three employees of the department to take up the matter and to utilize this money in attempting to improve the postal money-order system, and that he considered that it was a wise thing to do.

The Clerk read as follows:

BUREAU OF FOREIGN AND DOMESTIC COMMERCE.

Investigating cost of production: For salaries and all other actual necessary expenses, including field investigations at home and abroad, compensation of special agents, clerk hire, and rental of quarters in Washington, D. C., purchase of books of reference and manuscripts, to enable the Bureau of Foreign and Domestic Commerce of the Department of Commerce to ascertain at as early a date as possible, and whenever industrial changes shall make it essential, the cost of producing articles at the time dutiable in the United States, in leading countries where such articles are produced, by fully specified units of production, and under a classification showing the different elements of cost of such articles of production, including the wages paid in such industries per day, week, month, or year, or by the piece; and hours employed per day; and the profits of manufacturers and producers of such articles; and the comparative cost of living, and the kind of living; what articles are controlled by trusts or other combinations of capital, business operations, or labor, and what effect said trusts or other combinations of capital, business operations, or labor have on production and prices, fiscal year 1914, $50,000.

Mr. MANN. Mr. Chairman, I move to strike out "$50,000" and insert "$100,000."

The CHAIRMAN (Mr. HARRISON). The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amend, page 29, line 19, by striking out "$50,000" and inserting in lieu thereof "$100,000."

Mr. MANN. Does the gentleman from New York desire to limit debate?

Mr. FITZGERALD. Will 10 minutes be sufficient?

Mr. MANN. The gentleman had better make it 20 minutes.

Mr. FITZGERALD. I ask unanimous consent that debate on this paragraph and all amendments thereto be limited to 20 minutes.

The CHAIRMAN. The gentleman from New York asks unanimous consent that debate on this paragraph and all amendments thereto be limited to 20 minutes. Is there objection?

There was no objection.

Mr. MANN. Mr. Chairman, at times there has been considerable controversy in and out of this House concerning the creation of a tariff board or tariff commission and concerning the information which was necessary in order properly to determine what tariff rates should be. In recent years the Republicans have urged a tariff board, and the other side of the House have protested against it.

During the recent tariff debate, when we offered an amendment to create a tariff board, to which amendment the gentleman from Alabama [Mr. UNDERWOOD] made a point of order, it was stated, as at other times, upon the Democratic side of the House, that the Bureau of Foreign and Domestic Commerce was the means now established by the Democrats which took the place of a tariff board or a tariff commission. The gentleman from Alabama [Mr. UNDERWOOD] on May 6 last said:

This House within a year has established the machinery of government by which the President of the United States can assemble the facts desired; and through that machinery already established can give Congress not only the information that we call for in this bill, but can give Congress all the information called for in this so-called Tariff Board amendment. The Bureau of Foreign and Domestic Commerce was builded for that purpose. (CONGRESSIONAL RECORD, May 6, 1913, p. 1234.)

Mr. MURRAY of Oklahoma. Mr. Chairman——

Mr. MANN. I do not yield.

Mr. MURRAY of Oklahoma. A point of order. And reserving the point of order, I want to say——

Mr. MANN. I decline to let the gentleman reserve a point of order.

Mr. MURRAY of Oklahoma. The——

Mr. MANN. Mr. Chairman, the gentleman from Oklahoma has not the floor. If he wants to make a point of order, let him state it.

Mr. MURRAY of Oklahoma. I want to say this——

Mr. MANN. I decline to yield. Let the gentleman make his point of order.

Mr. MURRAY of Oklahoma. I make the point of order that the gentleman's discussion of this question is not any more germane than the discussion I had the other day with reference to this same bill, when he made a point of order against me three times.

The CHAIRMAN. The point of order is overruled.

Mr. MURRAY of Oklahoma. Having made that statement, I withdraw the point of order, to call the gentleman's attention to fair play.

Mr. MANN. The point of order is overruled, and I do not yield.

Mr. MURRAY of Oklahoma. I simply want to inform the gentleman that this is a game two can play.

Mr. MANN. The point of order is overruled, and I do not yield. The gentleman knows no more about points of order than he does about the point he was discussing the other day, and that is nil in both cases.

In April last the gentleman from Alabama [Mr. UNDERWOOD], in discussing this question, said:

Now, I want to say to the gentleman on that side of the House that you need not worry about this question. The Democratic administration and the Democratic House in the near future is going to vitalize that bureau by the necessary appropriations and extend its powers to get information that will be of use to the committees whether they are Republicans or Democrats in the future. (RECORD, Apr. 29, 1913.)

Here was the leader of the House, who holds the Democratic side of the House almost in the hollow of his hand, declaring that the Democrats had created the Bureau of Foreign and Domestic Commerce for the purpose of obtaining this information and then declaring that the Democratic side of the House proposed to make the necessary appropriations to vitalize the bill. There ought to have been appropriated for this purpose one-quarter of a million dollars. The department estimated for $100,000, but under the skillful questioning of the gentleman from New York [Mr. FITZGERALD] Secretary Redfield admitted that he could do the field work for $50,000. If you meant it, if you were sincere in creating this bureau, as I believe the gentleman from Alabama [Mr. UNDERWOOD] was, you ought to give them sufficient money to make these investigations, and they can not do it with $50,000. You ought at least to give them the

amount of the estimate, $100,000. [Applause on the Republican side.]

Mr. FITZGERALD. Mr. Chairman, a Democratic House created the Bureau of Foreign and Domestic Commerce. In doing so it demonstrated its capacity to organize in the departments of the Government such service as would provide the necessary facilities to obtain the information it desired.

The estimate of $100,000 was submitted by the Secretary of Commerce to vitalize this bureau. Although it was created at the long session of the last Congress, no estimate was transmitted to Congress by the last Republican administration until some time in January after the bill had left the House and gone to the Senate. If I recollect correctly, the estimate was only for about $20,000. This present estimate was prepared some time in May or June and sent to Congress in June requesting the $100,000. The Secretary of Commerce when before the committee made this statement:

Secretary REDFIELD. This $100,000. For present purposes this might be reduced to $50,000. I will state to the committee that Mr. Baldwin can go into further details in regard to this matter and show just exactly how this amount is being used. I have a detailed statement showing the men who are at work.

Mr. GILLETT. Did you say it is being used? Have you got it now?

Secretary REDFIELD. I will explain that to you fully. This is used for the purpose of utilizing the powers of the department granted by law in 1912, but which were never heretofore used and for which no appropriation has ever heretofore been made.

The committee recommended what the Secretary of Commerce said would be necessary.

Mr. HARDWICK. Will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. HARDWICK. Where did you get the language that is in this bill—from the recommendation of the Secretary of Commerce?

Mr. FITZGERALD. The language in the paragraph is transmitted in the estimates and is the language of the statute which creates the bureau.

Mr. HARDWICK. On what theory are we investigating into the cost of production abroad? What has that to do with the Democratic theory? Why do we need to spend thousands of dollars as to what things cost abroad—on what theory?

Mr. FITZGERALD. That is one of the provisions in the bill creating the bureau.

Mr. HARDWICK. It is one of the doctrines of the Republican Party, but never one of the Democratic Party.

Mr. FITZGERALD. It is in the paragraph because it was the language of the organic law creating the bureau.

Mr. HARDWICK. That was the Republican proposition; it was not a Democratic proposition.

Mr FITZGERALD. Yes; it was; a Democratic House created it in the second session of the last Congress.

Mr. HARDWICK. If I had known that that language was in I would have asked the same question.

Mr. FITZGERALD. It was created at a time when it was thoroughly discussed.

Mr. HARDWICK. It is funny that the gentleman can not answer the question now.

Mr. FITZGERALD. Democrats voted for it. This language was in the provision, and it has been authorized ever since 1888 and had been conferred upon the Bureau of Labor.

Mr. HARDWICK. That was under a Republican theory as to the tariff.

Mr. FITZGERALD. It had nothing to do with the tariff question at that time.

Mr. HARDWICK. I do not see why we should investigate the cost of production abroad compared with the cost of production in this country. I do not see why we should spend money for that purpose.

Mr. FITZGERALD. We do not intend to spend it for that.

Mr. HARDWICK. I am very glad to hear the gentleman say so.

Mr. FITZGERALD. The purpose of this appropriation is to enable the Secretary of Commerce to make certain investigations.

Mr. HARDWICK. What investigations?

Mr. FITZGERALD. Regarding methods of manufacture.

Mr. HARDWICK. And the cost of producing articles?

Mr. FITZGERALD. The cost of production.

Mr. MURDOCK. Articles controlled by the trusts?

Mr. FITZGERALD. And certain investigations now being made of the pottery industry, the methods of which are shown to be obsolete and inadequate, and very material benefit will result to the industry. I do not agree with some that it is the function of government to make the investigations that a private individual should make in order to perfect his business, but there are certain general fundamental phases of these matters that properly belong to the Government. That was one reason for the investigation; and the other is, as was stated by the gentleman from Alabama [Mr. UNDERWOOD] during the discussion of the tariff, that this bureau would be given ample funds, so that if after the tariff law was enacted certain manufacturing establishments attempted by cutting wages or shutting down their plants to charge that a business depression had resuled from Democratic legislation this bureau would be equipped to make investigation to determine whether those charges were justified or whether they were a part of the old Republican policy of attempting to attribute all of the financial evils of the country to the Democratic Party.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. FITZGERALD. Mr. Chairman, how much time is remaining?

The CHAIRMAN. Ten minutes.

Mr. MONDELL. Mr. Chairman, the jurisdiction of the Bureau of Foreign and Domestic Commerce is a very broad one, and the work which it is expected to do covers a very wide field and is exceedingly important, not only the work of inquiry as to the cost of production at home and abroad, which is exceedingly important, and on which we could advantageously expend much more than $50,000 during the balance of the fiscal year, but in addition to that this is the bureau that is expected to carry on that work which the chairman of the Committee on Ways and Means assured us at the time of the passage of the tariff bill this administration proposed to carry on for the purpose of investigating as to the methods of such American manufacturers as found they could not conduct their business under the new tariff law without loss. There has been one very conspicuous example in the Democratic ranks of a gentleman who has been so unmindful of the warning given by the chairman of the Committee on Ways and Means, reiterated by the Secretary of Commerce, that he has actually been unpatriotic enough to move his factory into Canada, and a large portion of this $50,000 might properly be used for the purpose of investigating why this distinguished Democrat found it impossible to operate in the United States under Democratic tariff law.

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

Mr. MONDELL. Yes.

Mr. HARDWICK. The gentleman also moved his politics into the Republican Party while doing that?

Mr. MONDELL. Not yet.

Mr. HARDWICK. He went to a Republican convention and we are no longer responsible for him.

Mr. MANN. But there has been no Republican convention.

Mr. MONDELL. He has been edging a little, but he has not yet gotten into the Republican ranks.

Mr. MANN. We will welcome him if he comes.

Mr. MONDELL. We are glad to have anybody come into the Republican ranks when they finally get their eyes open.

Mr. HARDWICK. That is not to be wondered at. There are so few of you left that you need some help.

Mr. MONDELL. Here we have a measly sum of $50,000 appropriated for the purpose of investigating the relative cost of production at home and abroad, and also for that broad and exhaustive work which the chairman of the Committee on Ways and Means assured us and which the Secretary of Commerce has assured us is to be carried on for the purpose of compelling American manufacturers to carry on their business without regard to how much they may lose under the Democratic tariff law. We desire the Democratic administration to be furnished with a sufficient amount of funds so that it can and may do the very thing that it has said it proposes to do. We desire that you shall carry out your threat, if threat it was, and not make a mere bluff. If your investigation shall develop the fact that American manufacturers are not using proper methods, it may be helpful to them to suggest possible means of improvement; but what we believe your investigation, if properly carried on, will prove is that it will be impossible to carry on many lines of industry in this country under your tariff bill without a loss unless there shall be a reduction in wages. As we do not want to see a reduction of wages, we desire that you shall have a sufficient sum of money to carry on this important work that you have mapped out for yourselves. All will agree that $50,000 is nowhere near enough if the work is to be thoroughly prosecuted. We hope when you find the harm your tariff bill has done you will be inclined to help us to remedy its faults.

The CHAIRMAN. The time of the gentleman has expired.

Mr. UNDERWOOD. Mr. Chairman, I wish to state that I think this bureau is one of the most important bureaus in the Government. I am heartily in favor of its having all the money it needs to carry out its purposes. The appropriation of $50,000

in this bill is carried on the recommendation of the Secretary of the Department of Commerce, who presides over and controls this bureau, as well as the others of that department. If he had asked for more money at this time to vitalize this bureau, I would have voted for it. I recognize the fact that he can not organize the work of this bureau at once. It has to be entirely reorganized. I hope and expect by next winter that the reorganization will be perfected and that the Congress by that time will give the necessary money to entirely vitalize this bureau. Now, in reference to the work of the bureau, the language that is adopted by this bill really comes down from the Cleveland administration. It was inserted during Mr. Cleveland's time in the Bureau of Labor, authorizing the head of that bureau to make these investigations. Shortly after its enactment the Democratic Party went out of power. The Republican Party came in, and the law was never vitalized by an appropriation to carry it into effect, so that the language is nothing new.

Mr. HARDWICK. Why is it necessary or desirable to find out the cost of production in foreign countries of articles dutiable in the United States under any Democratic theory of the tariff?

Mr. UNDERWOOD. Well, the Democratic theory of the tariff, of course, is not to place a tariff on the difference in the cost at home and abroad, but to write a competitive tariff——

Mr. HARDWICK. No; that is not the Democratic theory.

Mr. UNDERWOOD. Well, it is to write a tariff for revenue only, which of itself means a competitive tariff——

Mr. HARDWICK. Not necessarily.

Mr. UNDERWOOD (continuing). Because there can not be a tariff for revenue only unless it is competitive; I mean as to articles that are produced both in this country and abroad. Of course as to articles only produced abroad it can be, but that is not competitive, because there is nobody to compete with.

Now, there is a good reason for inserting this language in here, even under the Democratic theory. In the first place, when you go to write a competitive tariff or revenue tariff the best guide you have on which to base your tariff and base your rate is the competition at the customhouse; but as an incident to that it is of real value to the committee that is writing to determine at what point a tariff for revenue, a competitive tariff, can be written to understand the difference in cost, so that they can use that as a guide and adjust their rates. But that is not the important point why this language should be in this act. When we write a tariff for revenue we want to collect the revenue just as much as our Republican friends want to write a tariff for revenue when they write a tariff for protection, and in ascertaining whether there is a correct valuation of goods that are coming into this country, whether there is an undervaluation, whether anyone is attempting to defraud the customhouse. It is of great value to the administration of the customs laws that there is a bureau in this Government that has the power to ascertain the difference in the cost of production at home and abroad, or, in other words, to ascertain the value of the foreign article, so that our customs officials may have something on which to base their findings.

Mr. Chairman, I feel that it is of the utmost importance that this appropriation should pass. I feel, though, that it is not necessary for this House to make an appropriation at this time that exceeds the amount requested by the head of this great department. He knows what money he can expend. I know from personal conversation with him that he is as earnest in his idea to vitalize this bureau as I am, and that he will ask for all the money that is needed at this time. And if, as he states in his testimony, $50,000 is all that is required at this time for the use of his bureau, I am sure that that is all the money that can be used. I am further confident that as soon as he can finish the reorganization of the bureau he will ask for more money, and I hope this Congress will give it to him.

The CHAIRMAN (Mr. HARRISON). The time of the gentleman from Alabama has expired. All time has expired. The question is on agreeing to the amendment offered by the gentleman from Illinois [Mr. MANN].

The question was taken, and the Chairman announced that the "noes" seemed to have it.

Mr. MANN. Mr. Chairman, I ask for a division.

The committee divided; and there were—ayes 28, noes 45.

Mr. MANN. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chairman appointed Mr. FITZGERALD and Mr. MANN.

The committee again divided; and the tellers reported—ayes 31, noes 53.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Hereafter inspectors and other employees in the Steamboat-Inspection Service shall be allowed, in lieu of mileage, only their actual necessary traveling expenses while traveling on official business assigned them by competent authority.

Mr. COX. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Indiana [Mr. Cox] moves to strike out the last word.

Mr. COX. I do this for the purpose of submitting a few observations at this point.

The Department of Commerce and Labor, in its report last December, made the following recommendation, found on page 145:

Traveling expenses. If inspectors were placed on actual expenses in traveling and not upon mileage, a large saving in traveling expenses would undoubtedly result, and it is recommended that such a change in the practice be given the sanction of law.

Mr. Chairman, that was a recommendation made by Mr. Nagel, a Republican Secretary of the Department of Commerce and Labor. As soon as I read his report making the recommendation I wrote him a letter in which I called his attention to it, and asked him how many employees it would affect and how much the saving would amount to. I have his reply in my possession, dated December 23, 1912, and I ask unanimous consent to incorporate it in the RECORD and make it a part of my remarks.

The CHAIRMAN. The gentleman from Indiana [Mr. Cox] asks unanimous consent to insert a letter in the RECORD. Is there objection?

There was no objection.

Following is the letter referred to:

DEPARTMENT OF COMMERCE AND LABOR,
Washington, December 23, 1912.

Hon. W. E. Cox,
House of Representatives, Washington, D. C.

DEAR MR. COX: I beg to acknowledge the receipt of your communication of the 18th instant, in which you so kindly commend the recommendations made in my last annual report that inspectors in the Steamboat-Inspection Service be placed upon actual expenses when traveling, and not upon mileage, as now provided for by law.

There are now in the Steamboat-Inspection Service approximately 185 inspectors who would be affected by the recommended change in the law, and it is estimated that of an approximate expenditure of $60,000 annually for traveling expenses for these inspectors about $15,000 would be saved were the method of reimbursing travel expenses changed from mileage to actual necessary traveling expenses.

The inspectors in the Steamboat-Inspection Service are the only employees in the Department of Commerce and Labor whose traveling expenses are reimbursed in the shape of mileage. With reference to the service of the department at large I beg to state that any one of the employees of the Department of Commerce and Labor may be called upon to travel on official business. All such employees, except those in the Steamboat-Inspection Service or employees in bureaus where a portion of their traveling expenses, the expense for subsistence, is reimbursed by an allowance of a certain sum as per diem in lieu of subsistence, are reimbursed for their actual necessary traveling expenses, the subsistence portion of which must not exceed $5 per day.

The reimbursement of actual necessary traveling expenses is made under the acts of June 16, 1874, and March 3, 1875 (18 Stats., 72, 452), and the limit of $5 per day is fixed by departmental regulations.

The services of the department in which per diem in lieu of subsistence is allowed, either by express provision of law or by the terms of departmental appointments, are the Bureau of Labor, the Bureau of Corporations, the Bureau of the Census, and the Immigration Service.

An estimate of the total number of employees of the department traveling, based upon records of travel made in the past year, would indicate that 185 persons traveled with a mileage allowance in lieu of traveling and subsistence expenses, 900 with a per diem allowance in lieu of subsistence and actual necessary traveling expenses, and 615 whose actual and necessary traveling and subsistence expenses are reimbursed them on vouchers.

In addition there are each year in the Immigration Service about 350 cases where an attendant with a party of aliens travels under writs of deportation and who receive reimbursement for their actual and necessary expenses of travel and subsistence.

The differences in the method of payment of subsistence expenses of employees of the department arise from practical reasons. It is found that in some bureaus of the department where many employees in connection with their official work travel for a considerable portion of their time, the payment to them of a per diem allowance in lieu of subsistence is advantageous for the reason that it presents a simpler accounting problem, in the long run saves money to the Government, and the employee receives reimbursement for the actual outlay which he makes on account of his travel on Government business. Such an allowance, however, can only be made in bureaus where Congress by express provisions of law, such as are contained in appropriation acts, authorized the payment of a per diem in lieu of subsistence, or where the department in its contract of employment agrees to pay compensation at a certain fixed rate and in addition thereto a certain fixed additional compensation per day when the employee is absent from his official station traveling on Government business, such additional compensation to be in lieu of subsistence.

The providing for additional compensation in lieu of subsistence is possible only in those cases where the department has by law the authority, without limitation by Congress, to fix compensation of the employee. Such an allowance can never be made where the law fixes the salaries of employees.

In all cases where per diem is allowed the Government pays the actual railroad, steamship, and other transportation fares, and the subsistence allowance covers meals and lodging.

Very truly, yours,

CHARLES NAGEL, *Secretary.*

Mr. COX. A few days after that correspondence, when the Army bill was going through, I took occasion on the floor of the House to submit some observations on the mileage proposition. I made some statements then in reference to the recommendation made by the Secretary of the Department of Commerce and Labor, but my statements were not entirely accurate. A few days after that time I received a letter from the Department of Commerce and Labor, calling my attention to the inaccuracies of my statement. That letter I have in my possession, dated January 18, 1913, and I ask permission to incorporate it also and make it a part of my remarks.

The CHAIRMAN. The gentleman from Indiana [Mr. COX] asks unanimous consent to incorporate another letter in his remarks. Is there objection?

There was no objection.

Following is the letter referred to:

DEPARTMENT OF COMMERCE AND LABOR,
Washington, January 18, 1913.

Hon. W. E. COX, M. C.,
House of Representatives, Washington, D. C.

MY DEAR MR. COX: Referring to your statement on the floor of the House of Representatives, as reported on page 1647 of the CONGRESSIONAL RECORD, in connection with the debate on the payment of mileage to officers of the Army, I beg to advise you that your statement contains two inaccuracies, which, however, do not affect the value of your argument, but which I desire to call to your attention merely for your information.

In your remarks you state that the persons to be affected by the recommendations contained in my annual report, as you understood it, were Army officers, and also that you thought mileage was paid at the rate of 7 cents per mile. The employees affected by the recommendation in my annual report, as stated in my letter to you of December 21, 1912, are inspectors in the Steamboat-Inspection Service, who are not in any way connected with the military service, and the mileage paid to them under the law is at the rate of 5 cents per mile.

I appreciate very much the complimentary notice of the recommendation in my last annual report with reference to this matter given to the House of Representatives in your remarks.

Very truly, yours,

CHARLES NAGEL, *Secretary.*

Mr. COX. Mr. Nagel was the first Secretary of any of the departments that I have any knowledge of or know anything about that recommended that all of his employees be put upon the actual-expense basis, and that they be taken from the mileage basis. He answered me, and makes the statement in his letter that the department could save $15,000 per year, and that his employees received only 5 cents a mile while traveling.

This question is closely allied to another question which, in my judgment, deserves careful consideration. Last winter I called attention to the mileage of the Army, wherein officers received 7 cents a mile while traveling under orders. It was argued then, and presumably it will be argued in the future, that 7 cents a mile is cheaper than it would be to allow them their actual traveling expenses. The query comes to my mind, if by putting the steamboat inspectors, who only get 5 cents per mile, on an actual-expense basis, we can save $15,000 per year, why can not we save money by putting Army officers, who get 7 cents per mile while traveling under orders, on an actual-expense basis? We can save anywhere from $300,000 to $400,000 per year if we will cut out this 7 cents per mile and put them on the actual-expense basis. I shall await with pleasure the recommendation of a Democratic Secretary of War on this line with the hope that he will recommend putting all officers of the Army on the actual-expense basis.

Mr. MANN. The gentleman will wait a long time.

Mr. COX. I am afraid so. I will await with pleasure the recommendation of a Democratic Secretary of War with the view of seeing whether or not he will recommend that the Army mileage be reduced to actual traveling expenses.

The CHAIRMAN. The time of the gentleman has expired.

Mr. COX. I ask unanimous consent for five minutes more.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent for five minutes more. Is there objection?

There was no objection.

Mr. COX. I want to relate this incident which came under my own personal observation, about three months ago, while coming from Indianapolis to Washington on a Saturday evening. It occurred in Ohio. We traveled that day with a young Army officer, who, with a friend, was on board the train. As I gathered from their conversation, they had traveled from San Francisco or from some point in the extreme West. After supper, in the smoking compartment of the car the two men had a heated controversy as to which of them should pay the bill for their dinner, which, as I recall, amounted to $3.25, including drinks, as they expressed it. The young man who was not an Army officer insisted on paying the bill. Finally the Army officer suggested that this trip netted him $115. His friend inquired how that was, and he said he "was traveling under orders," and that he got 7 cents a mile. I gathered from the conversation—though I did not enter into it—that they were traveling from San Francisco and were going either to Washington or New York. I wonder whether the American people are willing to pay Army officers 7 cents a mile, making a net profit of $115 for traveling from San Francisco to Washor to New York City, in addition to their salaries? Therefore I will await the recommendation of a Democratic Secretary of War when he comes to make his recommendation upon this point, because it involves an item of $550,000, and this bill carries a deficiency of something like $50,000 for mileage for officers. I shall await with pleasure the recommendation of a Democratic Secretary of the Navy, because his officers while traveling under orders draw 7 cents a mile; and I will not stop there, but I will await with pleasure the recommendation of a Democratic Secretary of the Treasury of the United States, who has a large number of employees in the Revenue-Cutter Service who draw mileage which, if I remember correctly, is 6 cents a mile. I wonder whether or not it is going to remain for a Republican Secretary of a great department of the Government to call attention to this fact alone or whether the Democratic Party, that has burned paper in all its platforms for the last 16 years preaching economy, will take the initiative on this line. Let us wait and see.

I have sought this opportunity for the sole purpose of doing what I think is my duty, in calling the attention of the country to the service of Mr. Nagel, who had this question investigated and who made this important recommendation. And great credit is due this important Committee on Appropriations for following out the advice of Mr. Nagel. I hope, Mr. Chairman, that when our Secretaries and the heads of our great departments come to look into this question they will not hesitate, as Mr. Nagel did not hesitate, to send a recommendation to Congress to put these employees upon an actual-expense basis.

If they will do it we can save anywhere from $700,000 to $800,000 per year and work no hardship upon anyone in the Army, Navy, or the Revenue-Cutter Service. Here is a splendid opportunity to economize. We have promised it; let us fulfill and redeem the promise made in our platform at Baltimore and on which we swept this country from ocean to ocean.

The Clerk read as follows:

LIGHTHOUSE ESTABLISHMENT.

Aids to navigation, Atchafalaya Entrance Channel, La.: For aids to navigation in Atchafalaya Entrance Channel, La., $50,000.

Mr. BARTLETT. I move to strike out the last word. Mr. Chairman, the Bureau of Lighthouses is a recent bureau in the Government of the United States, and a reorganization of the system was brought about a few years ago mainly through the efforts of the gentleman from Illinois [Mr. MANN], then chairman of the Committee on Interstate and Foreign Commerce, which had jurisdiction over the Department of Commerce and Labor. A reorganization was obtained by which it was hoped that the expenditure of money in that establishment might in some way be diminished and a more careful and economical administration might be had than was then being carried on under the old and not very satisfactory system. I think I can give the gentleman from Illinois due credit for a desire to reorganize that bureau of the service, and I think he will accord to me the statement that I assisted him as much as I could in making this great reform and in the desire to have that service changed from the way in which the public money was then extravagantly expended and for which no account seemed to have been rendered.

Mr. MANN. If the gentleman from Georgia will permit me, I have on many occasions stated before that the gentleman from Georgia [Mr. BARTLETT] rendered great service to the Government in connection with the legislation affecting that reorganization.

Mr. BARTLETT. I endeavored to do so. But, Mr. Chairman, it is because of the fact that I took a small part in the reorganization of that service, following the gentleman from Illinois [Mr. MANN] in endeavoring to reform this service and put it where there would be both efficient and economical service, that I have still continued to hold my interest in the service and in the administration of affairs of that particular service. Judge, then, of my surprise when the head of this service was before the committee asking for the items of expenditure to find out from the head of that service and elicit from him information with reference to the details of the expenditure of money of the Government on certain lines we were unable to get it. When he was asked by me, as the hearings will show, the cost of particular things used, such as buoys and different kinds of buoys, the chief of that service could not give it to us. He could not in the committee room give answers as to the amount that had been expended or the cost of particular buoys

and other equipment purchased by the Government, and was compelled to send to the committee a statement which was so technical, so apparently covered up with figures, that we could not arrive at any conclusion in regard to it.

I undertook to find out in regard to the A. G. A. buoys, which is the American Gas Accumulator buoys—I undertook to find out when they apportioned the money, how they apportioned it, how many of these buoys were purchased, whether a certain amount was on hand or not, and I was unable to find out from him, the head of the service, anything in regard to it.

[The time of Mr. BARTLETT having expired, by unanimous consent his time was extended five minutes.]

I asked him if they kept a supply of these buoys on hand. I have not time to go into the details, but I will say that I propose to introduce a resolution and have it referred to the proper committee, so that the House may be informed as to the manner in which the money of the people has been expended in this service, and I will give the reason for that.

The Commissioner of Lighthouses stated to the committee that he did not have on hand and did not keep on hand a supply of certain buoys, the buoys manufactured by the American Gas Accumulator Co. I have statements coming from employees in the service which will prove that that very day and to-day there lie in Tompkinsville, N. Y., at the lighthouse depot, as many as 30 that have been bought and are not in use. I undertook to show that there were more buoys bought from the American Gas Accumulator Co. than was necessary for the service. I undertook to ascertain from him that these buoys of the American Gas Accumulator Co., of which a former employee, a deputy commissioner of lighthouses, is vice president, if they did not purchase more buoys of that character than of any other kind, and I was informed that they did not. I have now information that they do, and that there is a supply on hand of at least 30 not in use.

So I state to this House that the information given to this committee seeking to appropriate money for this establishment was so unsatisfactory as to the way the money had been expended and the cost to the Government of these buoys that we were compelled, because we were in the dark as to the way in which the money had been expended, to leave to another committee of the House any investigation on this subject.

I desire simply at this time to call the attention of the House to the inability of the head of this service to give the Appropriation Committee any sufficient, succinct statement of the cost of this material. As an example of what I have been stating, I asked him with reference to the manufacture and the cost of manufacture of certain buoys known as the American Gas Accumulator buoys. I asked him if he did not pay $4,200 or $4,600 for buoys that only cost to manufacture $1,250. He said he did not know; he did not think it was correct. He says, "I think they cost them much more than that." I asked him if the Government did not pay the difference between that sum and $1,250 for the patent on these buoys. He said he did not think so.

Mr. Chairman, I have a letter here from a man who manufactures the buoys for the American Gas Accumulator Co., and I will incorporate it in the RECORD; he states that they are manufactured and sold to the American Gas Accumulator people for the sum of $1,250. There are 30 of them in the Tompkinsville depot for which the Government has paid $4,200 each, I am informed, and they cost to manufacture only $1,250, so that the Government pays $4,200 for buoys that cost only $1,250.

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

Mr. BARTLETT. Mr. Chairman, I ask unanimous consent to insert the letter in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Light station on Navassa Island, West Indies: For a light station on Navassa Island, in the West Indies, $125,000.

Mr. ADAMSON. Mr. Chairman, I move to strike out the last word.

"There is a great rock in the ocean"—not the stone of classic lore, but a gigantic creation which bared its hoary head to tropical storms and repelled the lashings of turbulent seas for untold ages before the classics were inspired. Navassa lifts its awful form in the Windward Passage directly in the track of commerce following all paths and currents of the seas in quest of markets old and new. "When seas are calm and skies are clear" Navassa is visible many miles far out and around over the waste of waters, but when clouds and fog bewilder the storm-tossed mariner old Navassa becomes an object of terror. Delays, both expensive and harrowing, become necessary to avert threatened wreck amid the breakers raging and roaring in the crush of Caribbean storms and billows against that horrible rock. This lighthouse was first suggested by our late colleague, Gen. Gordon, of Memphis, as a memorial to Commander Maury, the pioneer nautical scientist who discovered, traced, and mapped the currents, courses, and channels of the oceans for the safety of all "who go down to the sea in ships." All the medals, commissions, correspondence, and reports of that great naval scientist, the most eminent geographer of the seas, have been presented to the Government of the United States. Among the papers is a letter from the Grand Duke Constantine, of Russia, dated August 8, 1861, in behalf of the Russian Government, extending to Commander Maury a formal invitation to remove with his family to Russia and enter the service of the Russian Government and there continue his scientific researches, one sentence of the grand duke's letter reading:

> Your indefatigable researches have unveiled the great laws which rule the winds and currents of the ocean and have placed your name among those which will ever be mentioned with feelings of gratitude and respect, not only by professional men, but by all those who pride themselves in the great and noble attainments of the human race.

The papers also reveal the interesting fact that it was he who first planned the trans-Atlantic cable. Commander Maury died in Virginia, his native State, February 1, 1873.

That accidents such as befell the *Titanic* are of such rare occurrence is undoubtedly due in large measure, scientists say, to the researches and discoveries of Commander Maury, who was the first scientist to track the sea. He was honored by many crowned heads.

In agreeing upon the final form of the bill for aids to navigation, including the Navassa light, the memorial feature which had been incorporated in the first form was eliminated, but if such a structure can brighten the fame of Maury it will always be known as the Maury light without the formality of a name plate. Tablets and shafts are not necessary to his fame, which will outlast the crumbling stone and shine when all flickering lights are dim, inspiring admiration and gratitude for his achievements as long as men can read and sail and human hearts can throb.

There is no doubt of the urgent necessity for the light as an aid to navigation, situated in a main roadstead of commerce; but, important as it may be to commerce, under existing circumstances its importance will be greatly enhanced when the operation of the Panama Canal shall invite universal commerce to take that course, which it will do if we conclude to act honestly and fairly with our own people and the rest of the world in the treatment of vessels at the canal. Mere prose, however, can not do justice to this subject. The purpose of these remarks is to give to the committee and the country a production of another and greater genius, more worthy and able to deal with this important theme. We have on the Committee on Interstate and Foreign Commerce a statesman of lofty attainments and infinite versatility of genius. In his lucid intervals he is master of commerce and statecraft, but on frequent occasions his soul takes fire from the lofty mount of song and usually bursts into a conflagration. At such times, when the divine afflatus is upon him, he mounts old Pegasus and rides him hard and rides him high. When the Hon. JOHN J. ESCH, of the State of Wisconsin, gazed in awe and admiration on old Navassa and his mind ran back over the history of those southern seas, buccaneer robbers, and stormy countries, at the same time swelling with pride in contemplation of our own glorious history and still brighter future, he, the poet-statesman, golden-hearted gentleman and friend, delighted his fellow passengers by breaking forth into the following inspiring verses:

What subterranean power, now at rest
Beneath the Caribbean's storm-ridden breast,
Caused thee to rise with dangerous shore
Athwart our course from days of yore?—Navassa.

Or art thou, with thy tree-topped crown,
All that the eroding tempest's frown
Has left of some great island of the sea
Or fabled Atlantis? Solve this mystery—Navassa.

Must thou be mute because no human soul
Within the circle of thy billow's roll
Can thrive and find the means of life
With all thy solitude and want of strife?—Navassa.

No bubbling fount of water pure
To shipwrecked mariner can assure
The quenching draft. No fruitful tree
Or root supplies him food from thee—Navassa.

Tell us the tragedies of thy rocks;
Can one be guiltless who ever mocks
The prayers of those in stress and pain
Who thought to shun thee, but in vain?—Navassa.

Inhospitable thou art, and to be feared
As much as those embattled rocks that reared
Their rugged fronts at far off Roncador
Or at Manila's sentry at Corregidor—Navassa.

No wealth of soil, or mine, or seed,
Has been sufficient to excite the greed
Of nations to possess themselves of thee,
Thou ownerless waif of this southern sea—Navassa.

Soon may thy reign of terror end
And welcome lights their rays extend
To gladden the weary storm-tossed sailor's sight
On ships that pass by in the night—Navassa.

[Applause.]

So we built the lighthouse; the memorial tablet can be provided later.

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

Mr. ADAMSON. Certainly.

Mr. MURDOCK. Does the rock belong to the United States?

Mr. ADAMSON. Yes.

Mr. MURDOCK. How did we acquire it?

Mr. ADAMSON. We have acquired it in the regular way. I can furnish the gentleman with an abstract of title if he desires it.

Mr. MURDOCK. Did we purchase it or did we discover it?

Mr. ADAMSON. We did not "take it"; we just gained it by legitimate means.

Mr. MURDOCK. I notice from the effusion that this island is ownerless.

Mr. ADAMSON. I hope the gentleman will withdraw the epithet "effusion."

Mr. MURDOCK. Well, this epic. I notice that the poet says the land is ownerless.

Mr. ADAMSON. That may have been in the days of the buccaneers, but titles have been settled in that country lately.

Mr. FITZGERALD. Mr. Chairman, I just want to say to the gentleman that one of the things that has been noted is the fact that no ship has ever been found stranded on Navassa Island, but on nearly every island on the route from here to Panama and back that has a light there is a wrecked steamship.

Mr. ADAMSON. I will ask just a moment to explain the reason for that. In fair weather, "when the seas are calm and the skies are clear," that rock can be seen for miles away; but when storms come and waves dash in their fury, there is danger in going near it, and mariners either go away around it or stop until things clear up, thus occasioning great delay.

The only reason there have not been any wrecks there is that great precaution against a known and absolute danger, and the object of this light is to facilitate navigation and help commerce.

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

Mr. ADAMSON. Certainly.

Mr. MANN. I dislike very much to ask an embarrassing question, but I understood the gentleman to say that when it is clear one can see this island?

Mr. ADAMSON. Yes.

Mr. MANN. If it is foggy, you can not?

Mr. ADAMSON. That is true.

Mr. MANN. Then what good will the light do in the fog when there is no fog signal?

Mr. ADAMSON. Mr. Chairman, I will say to the gentleman from Illinois that this lighthouse is not an exclusive remedy at all, but may be cumulative. We may do something else. Furthermore, I will say to him that the studies which I have made, largely in company with him, as to headlights and other lights have led me to believe that just as a flash of lightning can be seen in the darkest storm and clouds, so electric lights can be seen in fogs when other lights can not be located at all.

Mr. MANN. Well, the gentleman has made a very entertaining answer to a question that paralyzes the whole proposition on its merits.

Mr. ADAMSON. It can not paralyze me; if it did, I would not let the gentleman know it. [Laughter.]

Mr. BARTLETT. Mr. Chairman, I move to strike out the last word. Mr. Chairman, a few moments ago as my time was about expiring I said I had a letter, which I desire to offer now, in reference to the cost of certain buoys of which the Lighthouse Establishment purchases a great number. I asked this question of Mr. Putnam:

Mr. BARTLETT. Do you know what it costs the American Gas Accumulator Co. to produce one of those buoys, outside of the patented parts?

Mr. PUTNAM. What it costs to manufacture one of those buoys?

Mr. BARTLETT. Yes; they have them manufactured, do they not?

Mr. PUTNAM. I think so. I can not give you the cost.

Mr. BARTLETT. About $1,250, is it not?

Mr. PUTNAM. I do not know.

Mr. BARTLETT. The buoy that you pay $4,200 for costs the American Gas Accumulator Co. about $1,250—is not that correct?

Mr. PUTNAM. I do not think that is correct; I think it costs them much more than that.

In that connection I now desire to have this letter read.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

UNION BOILER & MANUFACTURING CO.,
Lebanon, Pa., August 5, 1913.

Hon. CHARLES L. BARTLETT,
Committee on Appropriations, Washington, D. C.

DEAR SIR: Replying to inquiry of August 4, 1913, requesting information relative to the cost of manufacturing gas buoys similar to those we have been making for the Lighthouse Service, we take pleasure in advising you that our contract prices with the American Gas Accumulator Co., who furnish these buoys to the Government, are as follows:

For one buoy designated as "B. W.—600/II," $1,200, complete, excepting two gas tanks, whistle and valve, bottom casting, flasher and lantern, and the necessary small gas piping leading from the two tanks to the flasher.

For one buoy designated as "B. K.–600/II," $800, complete, excepting bell frame and bell, gas tanks, flasher and lantern and necessary small gas piping leading from the two tanks to flasher.

The bottom casting of the "B. W.–600/II" buoy would cost $125 additional, should one be used instead of the submarine bell attachment.

Relative to the cost of manufacturing the gas tanks, will say that we did not make the tanks for these buoys; if, however, we should be asked to furnish these tanks without the composition filling therein our price would be approximately $75 each.

We are not prepared to furnish any flashers or lanterns such as are used on these buoys; we believe they are made by the American Gas Accumulator Co., Philadelphia, Pa.

Trusting the above information is all that is desired, we remain,

Very truly, yours,

W. A. SCHOOLS, *Superintendent.*

Now, these buoys which the American Gas Accumulator Co. sells to the Government at $4,200 and $4,600 cost $800 and $1,200, and the head of the service, who expends this large amount of money, was not able to tell the committee how much the Government was paying in excess of the proper cost. That is what I am complaining of.

Mr. MURDOCK. What excuse did he give for not offering this testimony?

Mr. BARTLETT. Why, he did not know. He is so competent an official he did not know.

The Clerk read as follows:

Necessary additional land for light stations and depots authorized to be acquired under the act of Congress approved March 4, 1913, may hereafter be purchased from the appropriation "General expenses, Lighthouse Service," no single acquisition of such additional land to cost in excess of $500, the total sum to be expended for this service not to exceed $3,000 in any one fiscal year.

Mr. MANN. Mr. Chairman, I reserve a point of order. This is a proposition to let the department purchase additional land for light stations and depots out of the general expense fund so that no one will know anything about it. I do not say that is the reason it is proposed.

Mr. FITZGERALD. The last lighthouse act gave this authority without any limitation upon the amount to be expended. The Secretary requested this limitation be placed upon it.

Mr. MANN. I will withdraw the point of order.

The CHAIRMAN. The point of order is withdrawn, and the Clerk will read.

The Clerk read as follows:

Contingent expenses: For additional amounts for contingent and miscellaneous expenses for the offices and bureaus of the Department of Labor, to be available for the objects named in the appropriation for contingent expenses for the Department of Commerce and Labor, contained in the act approved March 4, 1913, and for all other miscellaneous items and necessary expenses not included therein, fiscal year 1914, $5,000.

Mr. KELLY of Pennsylvania. Mr. Chairman, I move to strike out the last word. I would like to ask the chairman of the committee a question. I notice in the hearings that the matter of an appropriation of $10,000 for an international congress on social insurance was before the committee and the matter was left very much in doubt as to a final determination of whether or not an appropriation of $10,000 already made could be applied to the purpose desired by the Secretary of Labor. I would like to ask the chairman in regard to that. It is a matter of very great importance.

Mr. FITZGERALD. My recollection is that this convention is to be held a year from this fall.

Mr. KELLY of Pennsylvania. In 1915.

Mr. FITZGERALD. Under a prior joint resolution, passed early in the session, all appropriations made under the Secretary of Commerce which would properly belong to the Department of Labor would be transferred to the Secretary of Labor, and they will now pass to the appropriations under the Secretary of Labor.

Mr. KELLY of Pennsylvania. Now, does the gentleman mean to say that the $10,000 will be available to the Secretary of Labor and can be used in this coming year?

Mr. FITZGERALD. That is my understanding. That is the impression of the committee.

The Clerk read as follows:

Commissioners of conciliation: To pay the expenses of commissioners of conciliation in labor disputes, whenever appointed in pursuance to section 8 of the act creating the Department of Labor, $5,000, or so much thereof as may be necessary.

Mr. MANN. Mr. Chairman, I move to strike out, line 4, page 35, "$5,000" and insert "$25,000."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 35, line 4, strike out "$5,000" and insert "$25,000."

Mr. MANN. Mr. Chairman, a very short time ago the House, the Senate, and the President, under considerable stress,

passed a law providing for the appointment of commissioners in arbitration between railroads and their employees. I forget how much the appropriation carried by that law is, but it is more than $25,000.

That is a good law, and the money will be well expended. In the creation of the Department of Labor at the last session we provided that the Secretary of Labor might appoint commissioners of conciliation, and he has got authority in all cases except those involving transportation companies and their employees. Now, we have provided for a board of mediation and conciliation under this law to which I have just referred, so far as railroad employers and their employees are concerned. The Secretary of Labor has the same power as to all other industrial disputes. He sent in an estimate of $50,000, which was small enough, and the committee, with a liberality which was truly generous, proposed to give him $5,000.

Mr. BARTLETT. Mr. Chairman, may I interrupt the gentleman?

The CHAIRMAN. Does the gentleman yield?

Mr. MANN. Certainly.

Mr. BARTLETT. If the gentleman will examine the hearings he will see that the Secretary of Labor wanted to establish a permanent board, which he was not authorized to do under this act of labor conciliation.

Mr. MANN. Oh, I have read the hearings, and the gentleman is mistaken about what the Secretary of Labor wanted to do. The Secretary of Labor wanted to employ somebody here in charge and somebody under him, just as he will in the case of the board of mediation and conciliation. There must be some one in Washington to keep charge of the questions in relation to these industrial disputes; and then, having these people here, they could be named as the mediators or conciliators if that should be agreeable to the parties involved, or the Secretary would have the power to name other conciliators.

Now, what is $25,000 or a great deal more than that as between bringing employers and employees together without either strike or lockout? These disputes are occurring everywhere over the country from time to time. They almost invariably cover matters affecting interstate commerce. One of the very best reasons for creating the Department of Labor was that the Secretary of Labor should have this power. He can not do it with $5,000. He ought certainly to be prepared to pay $5,000, if necessary, to commissioners of conciliation in one case. But he will have no machinery. He ought to have the machinery here, and then when cases arise in New York or San Francisco or New Orleans or elsewhere in the country, where trouble is threatened between employer and employee, the products of the factory going into interstate commerce, he can appoint somebody to endeavor to bring the employers and employees together without a strike.

Twenty thousand dollars. Do you gag on that sum for the purpose of giving your Secretary of Labor the opportunity to carry into effect this law? We are willing to trust him in the hope that he will develop through this system a method of settling industrial disputes. You passed the law, but you gag when it comes to carrying it out. You would rather give the extra thousand dollars to the Platt National Park in Oklahoma. That is what you voted for, and that will be used purely for political patronage. We ask you to give money where it will be used for the benefit and welfare of the whole people. [Applause on the Republican side.]

Mr. FITZGERALD. Mr. Chairman, I am surprised that the applause is not much more vociferous on that side of the House. Such an entertaining speech was entitled to much more enthusiastic support from the gentleman's following.

We do not indulge, Mr. Chairman, in the unnecessary expenditure of public money either under a Democratic or a Republican administration. They look alike to us with respect to unnecessary expenditures unless they demonstrate to us the propriety of the situation in each case.

The act under which these commissioners of conciliation are to be appointed provides—

> That the Secretary of Labor shall have power to act as mediator and to appoint commissioners of conciliation in labor disputes whenever, in his judgment, the interests of industrial peace may require it to be done, and all duties performed and all power and authority now possessed or exercised by the head of any executive department in and over any bureau, office, officer, board, branch, or division of the public service by this act transferred to the Department of Labor, or any business arising therefrom or pertaining thereto or in relation to the duties performed by and authority conferred by law upon such bureau, officer, office, board, branch, or division of the public service, whether of an appellate or revisory character or otherwise, shall hereafter be vested in and exercised by the head of the said Department of Labor.

Mr. MANN. That provision has nothing to do with it.

Mr. FITZGERALD. Yes; it has.

Mr. MANN. The authority granted was new in the act creating the Department of Labor.

Mr. FITZGERALD. The gentleman does not seem to be aware of the fact that I am reading from the act.

Mr. MANN. I understand that, but——

Mr. FITZGERALD. I am reading the authority under which these commissioners may be appointed.

Mr. MANN. The gentleman is not reading the authority at all. He is reading about something else.

Mr. FITZGERALD. What I have read is the authority under which the Secretary of Labor can appoint commissioners of conciliation.

Mr. MANN. If the gentleman will permit, the first provision is the authority. The latter provision transfers to the Secretary of Labor certain authority theretofore conferred upon the Secretary of Commerce and Labor.

Mr. FITZGERALD. It is all one paragraph taken from the act creating the Department of Labor. I have read it so that it will be in the RECORD for the information of the House and of that intelligent part of the public that reads the CONGRESSIONAL RECORD.

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

Mr. FITZGERALD. Do not interrupt me for one moment, please. The Secretary of Labor submitted an estimate of $50,000 to pay the expenses that might arise under this authority. After the estimate was submitted, Congress passed the Newlands-Clayton Act, as I think it is called, under which a special board was created with authority over disputes arising between employers and employees in connection with interstate transportation. They have the disposition of cases of the greatest magnitude and difficulty with which the Department of Labor might have to do. The Secretary of Labor outlined his plan. It was to create a permanent division in the Bureau of Labor. There seemed to be no need for it. He proposed to appoint commissioners of conciliation permanently, and whenever a dispute arose, assign them to this work. The Committee on Appropriations believed that the true purpose intended by this provision of the statute was that when a dispute should arise the Secretary of Labor should offer his friendly services, or suggest the appointment by him of commissioners of conciliation, and the committee recommended such sum as it believed would be sufficient to pay the expenses of the commissioners during the current fiscal year. It did not provide that they should receive compensation, because it believed that experience had demonstrated that it is much better in matters of this character to select men of such standing in a community that they will gladly volunteer their services and not provide a number of places for which there might be active competition on the part of men unfit for the work, merely because of the compensation to be paid. The committee believed that $5,000 would be ample for this year. If a situation should arise where additional money was required during this year, I am sure Congress will give it. Now I yield to the gentleman from Wyoming.

Mr. MONDELL. The gentleman has expressed his opinion on the point on which I wished to interrogate him.

Mr. FITZGERALD. There was no dissension in the committee. The committee believed that this was ample, and that it would be more serviceable to carry out the law in the manner which I have outlined.

Mr. MANN. Will the gentleman yield?

Mr. FITZGERALD. Certainly.

Mr. MANN. Does Secretary Wilson think it will be ample?

Mr. FITZGERALD. Mr. Chairman, I do not know; but I have never permitted the head of any department, Democrat or Republican, to control my judgment. I am charged with responsibility for my own actions, and if my mature judgment happens to differ, as it unfortunately sometimes does, with the heads of the departments, it is a misfortune from which, I regret, I can not relieve myself.

Mr. MANN. But the gentleman yielded his judgment in the case that we had up awhile ago.

Mr. FITZGERALD. What matter was that?

Mr. MANN. Where Secretary Redfield was quoted. Now, why does not the gentleman quote what Secretary Wilson says about this case?

Mr. FITZGERALD. After Secretary Redfield had submitted his estimate, he reached the conclusion that I had arrived at before he did, that $50,000 would be ample. I was very glad to point out the fact that the head of that department had come to the same conclusion as myself.

If he had not I should have regretted very much that I had not sufficiently formed my conclusions to coincide with those of the distinguished gentleman who presides over the Department of Commerce. [Laughter.]

The CHAIRMAN (Mr. HARRISON). The question is on the amendment offered by the gentleman from Illinois.

The question was taken, and the Chairman announced that the noes had it.

Mr. MANN. Mr. Chairman, I ask for a division. I want to see if there are any friends of labor on the Democratic side.

The committee divided, and there were 23 ayes and 54 noes.

So the amendment was lost.

The Clerk read as follows:

Any unexpended balance on July 1, 1913, of the $100,000 appropriated for the Commission on Industrial Relations for the fiscal year ending June 30, 1913, is made available for the fiscal year 1914.

Mr. MANN. Mr. Chairman, I move to strike out the last word. I would like to ask the chairman for what reason this is put under the head of Department of Labor. It is not a branch of the Department of Labor. It is a commission created by Congress and appointed by the President, and ought properly to be under the head of "The President."

Mr. FITZGERALD. The request for the appropriation came from the Secretary of Labor, and he also requested certain control over the appropriation.

Mr. MANN. He was asking for control over the appropriation, but this Commission on Industrial Relations is not under the Department of Labor nor would it be under his control. It is under the control of the President.

Mr. FITZGERALD. It just happened to fit here better than in any other place.

Mr. MANN. And it happens in this way that Congress would indicate that it is under the control of the Department of Labor.

Mr. FITZGERALD. I think not.

Mr. MANN. Anyone who took the bill, knowing how we make up appropriation bills, would come to the conclusion that it was under the Department of Labor.

Mr. FITZGERALD. No; no Member of Congress would be misled.

Mr. MANN. Any man who knows the custom of the committee to segregate items under proper heads would not suppose that a commission under the control of the President was put under the heading of the Department of Labor. He would suppose that it would be put under the head of "The President," where the Civil Service Commission is and other commissions of that sort in appropriation bills. This commission is wholly under the control of the President.

The CHAIRMAN (Mr. FLOOD of Virginia). The pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

Whenever aliens arriving at any port of the United States are temporarily removed from a vessel in accordance with the provisions of section 16 of the immigration act approved February 20, 1907, the transportation lines which brought them and the masters, owners, agents, and consignees of the vessel on which they arrive shall pay all expenses of such removal and all expenses arising during subsequent detention pending decision of the eligibility of such aliens to enter the United States and until they are either allowed to land or returned to the care of the line or to the vessel which brought them, and such expenses shall include those of maintenance, medical treatment in hospital or elsewhere, burial in the event of death, and charges for transfer to the vessel in the event of deportation, excepting only where such expenses arise under the terms of any of the provisos of section 19 of the said immigration act; and aliens shall not be temporarily removed from any vessel unless the master, owner, agent, or consignee thereof shall guarantee in a manner prescribed by and to the satisfaction of the Secretary of Labor that said expenses will be paid.

Mr. MURDOCK. Mr. Chairman, I want to ask the gentleman from New York if this is not existing law?

Mr. FITZGERALD. It was supposed to be, but Judge Meagher, of New York, very recently handed down a decision holding that the steamships were not liable. It has been the practice right along, and at the request of the department we compel the companies to pay the expenses, as they should.

The Clerk read as follows:

The Superintendent of the Capitol Building and Grounds is authorized to pay, out of the appropriation for Capitol power plant, fiscal year 1913, the sum of $438, amount of demurrage on shipments of coal for Capitol power plant between the dates February 17 and April 14, 1913.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word in order that I may ask the gentleman from New York a question. How many carloads of coal were involved in this demurrage for which you appropriate the sum of $438?

Mr. FITZGERALD. I do not remember. What happened was this: Prior to the inauguration, in anticipation of the congested condition of transportation facilities, the Superintendent of the Capitol ordered an additional amount of coal to be delivered. At that time the switch at the Capitol power house was completely occupied and it was impossible to move the cars from the company's switches to our track within the time allowed. I believe there were 90 cars, with demurrage at the regular rates.

Mr. MADDEN. Mr. Chairman, I do not understand the reason why a railroad company should be allowed to charge demurrage because they were not able to place the cars on the switch. If these switches were occupied by cars that were not being unloaded——

Mr. MANN. Will my colleague yield?

Mr. MADDEN. Yes.

Mr. MANN. I do not know how far this explanation will go, but the Superintendent of the Capitol ordered the coal in connection with the inaugural ceremonies, with the idea that with the large amount of railroad traffic to Washington at the time, the large number of cars that would be on the tracks, that he should get coal in season to be available at that time, and he ordered an extra supply. Otherwise the coal comes and is delivered at the switches down here in regular order so that there is no demurrage. Owing to the way that this coal was ordered, it came in so that there would be no possibility of our being without coal so far as the Capitol Building is concerned at that time.

Mr. MADDEN. The only point about the matter is this: First, do we own the switch, and was the switch occupied by cars of material that we were to unload, or was the switch occupied by cars of the railroad carrying other material, or was it occupied by passenger cars that were held here on account of the expected traffic, due to the inauguration?

Mr. FITZGERALD. Our switch was occupied by coal, to be unloaded at the Capitol power plant, and the number of cars was increased to 90 that week. We could not take care of them on the switch and the charge is for the additional cars. It is the usual charge.

Mr. MADDEN. It is $1 a day.

Mr. FITZGERALD. And it amounted to this sum of money.

Mr. MADDEN. It seems a large amount of money to pay for demurrage.

Mr. FITZGERALD. I do not know how much they charge.

Mr. MADDEN. They charge $1 a day. That is the rule of the railroads. They charge a dollar a day for every car occupying the track after 48 hours has elapsed. Every car has 48 hours allowed it, and if it is not unloaded within the 48 hours, demurrage begins at the rate of a dollar a day. If we paid $438 for demurrage within the space of a single month, there is somebody to blame.

Mr. FITZGERALD. It is between February 17 and April 14.

Mr. MADDEN. That is too much. If we pay $438 in a year, it is too much.

Mr. MANN. Of course it would be too much under ordinary conditions, but, as I stated, these conditions arose because the Superintendent of the Capitol desired to take no chances of being short of coal at the time of the inauguration ceremonies.

Mr. MADDEN. It does not matter what the cause was. There is negligence somewhere, or extravagance, or bad management. I ship on the average 100 carloads of material every day, and I will take my oath that I have not paid $438 demurrage in a year or two years, and if the Government of the United States is so negligent in the transaction of its business——

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

Mr. MADDEN. Mr. Chairman, I ask unanimous consent to proceed for two minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MADDEN. If the Government of the United States is so negligent in the transaction of its business that it can afford to pile up $438 demurrage in 60 days, then somebody ought to be censured for it, and a bill of this kind ought not to be paid.

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

Mr. MADDEN. Yes.

Mr. CULLOP. If these cars were placed on a switch where they could not be unloaded, then they were not available for the emergency for which they had been ordered, and in that event certainly the Government should not pay demurrage.

Mr. MADDEN. Of course not; and what we ought to do is through the proper agents negotiate with the local officials of the railroads to prevent the collection of such a sum of money as this for demurrage. I do not know how much a ton we pay for coal, but whatever the sum is, this demurrage is added to it, and there is no reason on earth that should appeal to anybody why an additional 90 or 100 carloads of coal should be ordered in simply because we were going to have an inauguration for two or three days. If we knew we were going to have a possibility of crowded railroad tracks and that it might not be easy to transfer trains promptly, that information was in our possession three months before the inauguration.

Mr. COX. Why did he not order it sooner?

Mr. MADDEN. That is what I say.

Mr. MANN. Where would you put it?

Mr. MADDEN. Unload it.

Mr. MANN. The gentleman understands that this coal is loaded from the car down here at the steam-power plant into automatic stokers?

Mr. MADDEN. We did not put it anywhere. We just paid demurrage.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

The Clerk read as follows:

For miscellaneous items and expenses of special and select committees, exclusive of salaries and labor, unless specifically ordered by the House of Representatives, $60,175.

Mr. MANN. Mr. Chairman, I move to strike out the last word. May I ask—this is for the last fiscal year—how much will this make the total appropriation for the miscellaneous items and expenses of special and select committees, which is commonly called the contingent fund of the House?

Mr. FITZGERALD. This will make $210,000.

Mr. MANN. That is, I suppose, considerably the largest appropriation that ever has been made in the history of the Government?

Mr. FITZGERALD. No; I would not say that.

Mr. MANN. I think the gentleman will if he will look at it.

Mr. FITZGERALD. In 1905 it was $170,000.

Mr. MANN. Yes.

Mr. FITZGERALD. In 1909, $115,000; 1910, $115,000; in 1911, $150,000; and in 1912, $200,000.

Mr. MANN. That is a Democratic administration.

Mr. FITZGERALD. And in 1913 it would be $210,000.

Mr. MANN. Well, I do not desire to say, "I told you so." I have no desire at all to make useless criticisms of the Democratic side of the House because it apparently has no effect upon you gentlemen who come in with the plea of economy. The contingent fund of the House has constantly increased——

Mr. FITZGERALD. If the gentlemen on that side join with gentlemen on this side in authorizing committees of the House to make certain investigations you must expect to pay for it.

Mr. MANN. Well, but the truth is, we have not usually joined with gentlemen on that side of the House. They have not needed or wanted us. They have an ample number over there to go into this extravagance without our help.

Mr. FITZGERALD. I know, but unfortunately the gentleman from Illinois [Mr. MANN] and the gentleman from Kansas [Mr. MURDOCK] have taken a new tack, and they have voted together to increase items in this bill, and it is because of this new combination working that the amount increases.

Mr. MANN. We acted against that side of the House for the good of the country and have no apology to make for that. Of course, I understand that the Democratic side of the House last Friday endeavored to divide their pork barrel in the House; but, as I say, here is a contingent item making a total of $210,000. The ordinary appropriation for contingent expenses of the House has usually been $75,000 a year in a regular appropriation bill. Now, of course, if you need the places, appropriate the money. The $210,000 was for the last Congress. You have not got your places yet. You are only asking or insisting upon your places now, but mind you, the $210,000 contingent fund for the last Congress will pale into insignificance when the total appropriations for the contingent fund of this House for this Congress shall be added together. Now, Mr. Chairman, I desire to have read in my time an article from the Star of last Saturday giving and commenting on what took place in the Democratic caucus, I believe authentic, as far as the resolutions are concerned; or I would ask leave to extend my remarks by inserting it.

Mr. FITZGERALD. All right, let it go in.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to extend his remarks by incorporating in it an article from the Star. Is there objection?

Mr. DONOVAN. Mr. Chairman, reserving the right to object, the gentleman ought to be informed there has been no Democratic caucus held; not any held. I would be surprised to have anyone impose upon him information of that character. No caucus has been held of the Members of the House as yet; not last week or the week before.

Mr. MANN. I do not wonder the gentleman repudiates the caucus.

Mr. DONOVAN. No; there has been no repudiation; there has been none held of Members last week or the week before.

Mr. MURDOCK. What does the gentleman call the meeting the other day?

Mr. DONOVAN. And every able parliamentarian technically knows it. I had no idea such an able and distinguished character as the gentleman from Illinois [Mr. MANN], a Member of this and other Congresses for 20 years or more, should try to impose upon the public news of that character, which will not bear investigation and which is without a particle of truth.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. MANN] has expired.

Mr. MURDOCK. Mr. Chairman, I move to strike out the last two words.

Mr. MANN. Mr. Chairman, I ask for two minutes more.

Mr. FITZGERALD. Does anybody object to the gentleman's request?

The CHAIRMAN. Does the gentleman from Connecticut [Mr. DONOVAN] object to the request of the gentleman from Illinois [Mr. MANN] to extend his remarks in the RECORD?

Mr. DONOVAN. I object to his extending his remarks. I certainly would object to anyone making a fool of himself. [Laughter.]

The CHAIRMAN. Does the gentleman from Connecticut object to the request?

Mr. MANN. Oh, no; he does not.

The CHAIRMAN. Without objection, the request will be granted.

There was no objection.

Following is the newspaper article referred to:

[From the Washington Evening Star, Sept. 6, 1913.]

REPUBLICANS TO GO, DEMOCRATS DECREE—HOUSE MAJORITY DECIDES IN CAUCUS TO MAKE CLEAN SWEEP OF G. O. P. EMPLOYEES—MEMBERS WANT PLACES FOR MEN OF OWN PARTY—PATRONAGE PIE ABOUT TO BE SLICED SO THAT NEW MEN WILL EACH GET A SHARE.

Democrats of the House woke up this morning with the glorious taste of patronage pie. They had gone to bed last night with large slices of this delicious political pastry in their mouths, figuratively speaking, for, following the long and exciting caucus of yesterday afternoon, when the patronage committee presented its report, the party in power went on record as saying that every job connected with House patronage that can possibly be filled by a Democrat should be given to a Democrat, no matter how long and how faithfully any Republican incumbent has served. The resolution showing the sense of the caucus on that particular point was presented by Representative FRANK CLARK, of Florida, and from within the closed doors of the secret session the loud applause of the pie-hungry Democrats could be heard in vociferous volume.

Many things were done to bring about a clean sweep of employees of the House, wherever it is possible. Colored barbers will probably be taken out of their places and white barbers will be put on their jobs. While this point was being discussed, a southern Member made an impassioned speech in which he said:

"I see many places around this House being held by colored men, and I know they are Republicans, because I never saw a colored Democrat in my life."

OLD EMPLOYEES TO GO.

An attack was made on William R. Woolley, custodian of the House Office Building, and all the Republicans under his charge, and despite the defense of this particular employee, made by Speaker CLARK and Representative FITZGERALD, the caucus broom swept clean, and with the House Office Building Republicans will go George W. Sabine, assistant librarian of the House, an old and experienced Republican employee.

The caucus was called to settle the long-standing grouches of many Members, especially the new men, who have complained bitterly that they have been deprived of their rightful patronage. The matter has been brooding in the House for a long time, and a committee on organization, composed of Representatives HUMPHREYS of Mississippi, COVINGTON of Maryland, and DOREMUS of Michigan, was charged with the responsibility of a plan for dividing up the jobs around the Capitol. That committee worked over the problem a long time and then decided that it would be physically impossible to slice up the jobs so that each man got exactly as much as his neighbor.

RESOLUTIONS FOR CLEAN SWEEP.

Therefore, when the caucus met yesterday afternoon this committee presented the following resolution, which was adopted:

"It is the sense of this caucus that it is neither practicable nor possible so to distribute the patronage of the House as to give to all members of the caucus places of equal importance or salary. The committee on organization should be given broad discretion in the selection of the employees upon whom we must depend for the efficient conduct of the business of the House; and in securing and maintaining this efficiency as a first consideration, as well as for the equitable distribution of the patronage of the House, we must trust to the wisdom and sense of fairness of the committee. No hard and fast rules can be prescribed: Therefore be it

"*Resolved*, That the committee on organization be, and it is hereby, authorized to nominate to the officers of the House all employees not hereafter excepted, and the officers are hereby directed to appoint all and only such employees as may be so nominated to them.

"That said committee shall apportion the patronage of the House among the members of this caucus, having in view, first, the efficiency of the House organization, and, second, the fair distribution of the patronage among the members of the caucus.

"That said committee shall keep a register of all employees of the House appointed or retained by them, which shall show the name of the employee, the position held, the salary paid, and the name of the Member, or Members, if any, to whom each employee is charged. Such register shall be properly indexed and shall at all times be open to inspection by any member of this caucus.

"That employees of the standing committees of the House, the journal clerk, cloakroom men, and the appointees of the Speaker at the desk are excepted from the employees to be apportioned by the committee.

"That all employees appointed by the officers of the House shall be subject to dismissal by the officer making the appointment, the fact that such employee has been appointed in pursuance of a nomination by the committee on organization notwithstanding.

"That chairmen of standing committees of the House, except the committee on mileage, shall not be allotted patronage."

DISAGREES WITH COMMITTEE.

The resolutions had not been read more than a few seconds when Representative WINGO of Texas, a new Member, declared he did not believe in the committee's contention that it would be impossible to divide up the jobs, and challenged the preamble of the resolution, but the committee was upheld after a strenuous word battle. Representative FINLY GRAY, of Indiana, who has been "sore" on the patronage subject for a long time, made a speech that drew the yells from the throats of the newer and hungrier Members. Mr. GRAY said he had been done out of patronage long enough and he wanted to get what was coming to him. He had surrendered his patronage, he explained, in the beginning of the Sixty-second Congress so that E. Stokes Jackson, an Indiana man, could be made Sergeant at Arms. Mr. GRAY did this, he said, simply as an accommodation, and not because Jackson had been of help to him in the campaign.

Mr. Jackson died, and when Representative GRAY tried to get back what he believed was his rightful patronage he was told, "No; you already have had a Sergeant at Arms, and that is enough."

"I do not believe in the assumed wisdom of these older Members," said Mr. GRAY. "I think the new men make better Congressmen."

"Better not let that remark get back to your district, then," advised a Democrat.

AMENDMENT TO OUST REPUBLICANS.

The sweeping amendment by Representative CLARK of Florida to oust all Republicans must be taken as "the sense of the caucus." It shows the temper of the Democrats, but is not the final action. The amendment was vigorously defended by the author, and reads as follows:

"It is the sense of the caucus that the committee on organization shall not allow any Republican to hold any position which should be included in Democratic patronage, no matter how long he may have served, as we believe a Democrat can be found who is fully capable of discharging the duties of any place in the House organization."

This amendment was adopted, and would oust Custodian Woolley and Assistant Librarian Sabine and other old Republicans. It was sharply combated by Representative FITZGERALD, speaking for Mr. Woolley. Mr. FITZGERALD is a member of the commission of Congressmen in charge of the House Office Building, and he has dealt with Custodian Woolley ever since his appointment, which was made, it was stated, in a nonpartisan manner following Mr. Woolley's position as superintendent of some of the construction work on the building.

Mr. MANN. Now, Mr. Chairman, I ask unanimous consent for two minutes more.

The CHAIRMAN. The gentleman from Illinois [Mr. MANN] asks unanimous consent for two minutes more. Is there objection?

There was no objection.

Mr. MANN. Mr. Chairman, of course, in view of the statement of the distinguished gentleman from Connecticut [Mr. DONOVAN], I beg to say that I am not informed as to how far or to what extent the Democratic caucus was held on last Friday. But on that day the House adjourned before 3 o'clock on the announced statement that the Democrats were to hold a caucus then. If I recollect correctly, I sat in a seat over here—that was last Friday—with a distinguished Senator, who was talking with me about a personal matter, until, looking around, I saw that every eye in the House, almost, was directed at me, the owners evidently wondering why on earth I did not get out. [Laughter.] The distinguished Senator being a Democrat, I suppose he, of course, could have remained. I walked out.

What took place after that I do not know. My friend from Connecticut [Mr. DONOVAN] repudiates it as a caucus; but they looked at me mightily like they were going to caucus. [Laughter.]

Mr. MURDOCK. What does the gentleman from Connecticut call it?

Mr. ADAMSON. Mr. Chairman, I presume that the explanation of the denial offered by the gentleman from Connecticut [Mr. DONOVAN] would be that the caucus was supposed to be secret and confidential, and that anybody who reported anything that occurred in it would violate confidence and therefore was unworthy of belief; and that whatever he said was not true, and therefore there was no caucus. [Laughter.]

But what I desired to say is that I hope the apparent relapse of the gentleman from Kansas [Mr. MURDOCK] into concord with the standpatters, indicated by his accord with the gentleman from Illinois [Mr. MANN], is not chronic, but only intermittent——

Mr. BARTLETT. Spasmodic——

Mr. ADAMSON. Because if it becomes chronic I shall be compelled to lament, in the language of the Scripture, "Ye are fallen from grace." [Laughter.]

Mr. MANN. Yes; and if it becomes chronic, and we stick together, there will not be enough left on your side to make two grease spots. [Laughter and applause on the Republican side.]

Mr. ADAMSON. That is not in the Scripture, nor anything to sustain the idea. [Laughter on the Democratic side.]

Mr. MANN. It is just as truthful as Scripture. [Applause on the Republican side.]

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

To reimburse the official reporters of debates $490 each and the official stenographers to committees, M. R. Blumenberg, Frank H. Barto, and R. J. Speir, $205 each for moneys actually expended by them for clerical assistance to August 31, 1913, $3,555.

Mr. FITZGERALD. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 38, after line 5, insert "For services of substitute telephone operators when required, at $2.50 per day, fiscal year 1914, $250."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk resumed and completed the reading of the bill.

Mr. FITZGERALD. Mr. Chairman, the provision relating to the Commerce Court, on page 20, was passed over.

The CHAIRMAN. The Clerk will read on page 20.

The Clerk read as follows:

Commerce Court: For expenses of the Commerce Court during the first half of the fiscal year 1914, namely: Clerk, at the rate of $4,000 per annum; deputy clerk, at the rate of $2,500 per annum; marshal, at the rate of $3,000 per annum; deputy marshal, at the rate of $2,500 per annum; for rent of necessary quarters in Washington, D. C., and elsewhere, and furnishing same for the Commerce Court; for books, periodicals, stationery, printing, and binding; for pay of bailiffs and all other necessary employees at the seat of government and elsewhere, not otherwise specifically provided for, and for such other miscellaneous expenses as may be approved by the presiding judge, $17,500; in all, $23,500, or so much thereof as may be necessary: *Provided*, That in the event of the enactment of a law discontinuing or abolishing said court, any balance of this appropriation remaining after the date of such abolition shall lapse and be covered into the Treasury.

Mr. FITZGERALD. Mr. Chairman, I ask unanimous consent that this whole matter referring to the Commerce Court be read and considered as one paragraph.

The CHAIRMAN. The gentleman from New York asks unanimous consent that all the matter in the bill referring to the Commerce Court be read and considered as one paragraph. Is there objection?

There was no objection.

The Clerk read as follows:

The Commerce Court, created and established by the act entitled "An act to create a Commerce Court and to amend the act entitled 'An act to regulate commerce,' approved February 4, 1887, as heretofore amended, and for other purposes," approved June 18, 1910, is abolished from and after December 31, 1913, and the jurisdiction vested in said Commerce Court by said act is transferred to and vested in the several district courts of the United States, and all acts or parts of acts in so far as they relate to the establishment of the Commerce Court are repealed.

The venue of any suit hereafter brought to enforce, suspend, or set aside, in whole or in part, any order of the Interstate Commerce Commission shall be in the judicial district where some or all of the transportation covered by the order has either its origin or destination, except that where the order does not relate to transportation the venue shall be in the district where the matter complained of in the petition before the commission arises, and except that where the order does not relate either to transportation or to a matter so complained of before the commission the matter covered by the order shall be deemed to arise in the district where one of the petitioners in court has either its principal office or its principal operating office. In case such transportation relates to a through shipment the term "destination" shall be construed as meaning final destination of such shipment.

The procedure in the district courts in respect to cases of which jurisdiction is conferred upon them by this act shall be the same as that heretofore prevailing in the Commerce Court. The orders, writs, and processes of the district courts may in these cases run, be served, and be returnable anywhere in the United States; and the right of appeal from the district courts in such cases shall be the same as the right of appeal heretofore prevailing under existing law from the Commerce Court. No preliminary injunction, or restraining or stay order, suspending the enforcement, operation, or execution of, or setting aside, in whole or in part, any order made or entered by the Interstate Commerce Commission shall be issued or granted by any district court of the United States, or by any judge thereof, or by any circuit judge acting as district judge, unless the application for the same shall be presented to a circuit or district judge, and shall be heard and determined by three judges, of whom at least one shall be a circuit judge, and unless a majority of said three judges shall concur in granting such application. When such application as aforesaid is presented to a judge he shall immediately call to his assistance to hear and determine the application two other judges. Said application shall not be heard or determined before at least five days' notice of the hearing has been given to the Interstate Commerce Commission, to the Attorney General of the United States, and to such other persons as may be defendants in the suit. The hearing upon such application 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, after notice and hearing, a preliminary injunction, or restraining or stay order, in such case if such appeal be taken within 30 days after such preliminary injunction or restraining order or stay order is granted, and upon the final hearing of any suit brought to suspend or set aside, in whole or in part, any order of said commission the same requirement as to judges and the same procedure as to expedition and appeal shall apply. A final judgment or decree of the district court may be reviewed by the Supreme Court of the United States if appeal to the Supreme Court be taken by an aggrieved party within 60 days after the entry of such final judgment or decree, and such appeals may be taken in like manner as appeals are taken under existing law from the Commerce Court to the Supreme Court. The provisions of this section shall also apply to the issuing and granting of preliminary injunctions and restraining or stay orders suspending the enforcement, operation, or execution of, or

setting aside, orders made by any administrative board or commission created by and acting under the statute of a State. And in such case the notice required shall be served upon the defendants in the case and upon the attorney general of the State. All cases pending in the Commerce Court at the date of the passage of this act shall be deemed pending in and be transferred forthwith to said district courts except cases which may previously have been submitted to that court for final decree. Each of said cases and all the records, papers, and proceedings shall be transferred to the district court wherein it might have been filed at the time it was filed in the Commerce Court if this act had then been in effect; and if it might have been filed in any one of two or more district courts it shall be transferred to that one of said district courts which may be designated by the petitioner or petitioners in said case, or, upon failure of said petitioners to act in the premises within 10 days after the passage of this act, to such one of said district courts as may be designated by the judges of the Commerce Court. The judges of the Commerce Court shall have authority, and are hereby directed, to make any and all orders and to take any other action necessary to transfer as aforesaid the cases and all the records, papers, and proceedings then pending in the Commerce Court to said district courts.

Any case hereafter remanded from the Supreme Court which but for the passage of this act would have been remanded to the Commerce Court shall be remanded to a district court, designated by the Supreme Court, wherein it might have been instituted at the time it was instituted in the Commerce Court if this act had then been in effect, and thereafter such district court shall take all necessary and proper proceedings in such case in accordance with law and such mandate, order, or decree therein as may be made by said Supreme Court.

All laws or parts of laws inconsistent with the foregoing provisions relating to the Commerce Court are repealed.

Mr. FITZGERALD, Mr. CULLOP, and Mr. BROUSSARD rose.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana.

Mr. BROUSSARD. Mr. Chairman, I make the point of order that this provision is not in order.

Mr. MANN. There is a rule providing that it shall be in order.

Mr. FOSTER. There is a rule making it in order.

Mr. BROUSSARD. I understand there is, Mr. Chairman, but I want to make a point of order beyond the rule.

Mr. FOSTER. I suggest that the gentleman can not do that.

Mr. FITZGERALD. What is the gentleman's point of order?

Mr. MURDOCK. Let the gentleman state his point of order.

Mr. BROUSSARD. I make the point of order that this legislation has not been referred to any committee having authority to legislate upon the question involved in the proposition and that there has been no report from any committee of this House of Representatives warranting the insertion of this legislation in this appropriation bill.

Mr. FITZGERALD. Mr. Chairman, no rule of the House makes that a sufficient ground.

Mr. BROUSSARD. I should like to explain what my proposition is.

The CHAIRMAN. The Chair will hear the gentleman from Louisiana. The Chair thought the gentleman had yielded the floor.

Mr. FITZGERALD. The gentleman has stated the grounds of his point of order. The rule provides that this particular provision will be in order on this bill.

The CHAIRMAN. The Chair will hear the gentleman from Louisiana if he desires to be heard.

Mr. FITZGERALD. I hope the gentleman will not take up much time.

Mr. BROUSSARD. I will only take up a moment.

Mr. MANN. Will the gentleman from Louisiana yield for a question?

Mr. BROUSSARD. Certainly.

Mr. MANN. Is the gentleman familiar with the special rule we adopted the other day, providing that these paragraphs were in order?

Mr. BROUSSARD. I was not here at the time, but have been informed of what that rule is. But "the gentleman from Louisiana" takes the position that there has been no report of any committee having jurisdiction over this subject matter except the Rules Committee, which has jurisdiction to report a bill already reported by the proper committee and to make that in order in a bill wherein it is not permissible to insert it except for the rule.

Mr. MANN. The Committee on Rules may report making a red apple in order on the Clerk's desk, and if the House adopts the rule it is in order, no matter how much it would be out of order otherwise.

Mr. BROUSSARD. That is the gentleman's opinion. I want the ruling of the Chair upon it.

The CHAIRMAN. The Chair will hear the gentleman from Louisiana.

Mr. BROUSSARD. Mr. Chairman, the rules of the House require, not as a matter of permission, but as a matter that is mandatory upon the House, that every bill introduced in this House shall be referred to the committee having jurisdiction of the subject matter of the bill. There has been some controversy as to whether the jurisdiction concerning this particular bill belongs to one or other of two committees of the House. There has been a report from neither of these committees, and the point of order which I raise is that until there is such a report it is incompetent for the Committee on Rules to authorize the Committee on Appropriations, or for the Committee on Appropriations on its own volition to report any particular bill which is not germane. This is not germane to the appropriation involved. It is not competent for the Rules Committee to bring in a rule without such a report from a committee having jurisdiction of the subject matter.

I should like to refer the Chair to a rule of the House defining the powers of the Rules Committee of the House, and to call attention to the fact that this provision not only violates the rule with reference to the question as to whether it is germane—which violation of the rules, of course, is cured by any special rule—but that without a report from the committee having jurisdiction of the subject matter it is not in the power of the House to act upon it.

In other words, if any committee of the House has reported any particular proposition, germane or not, to any appropriation in this bill, the Rules Committee can make it germane by simply reporting a rule making it in order.

The House has never through any committee considered this matter. It has never vested the Commerce Court jurisdiction in the district courts of the United States until such a committee of the House, either by virtue of the rule itself fixing jurisdiction or by the action of the House committee, referred it to the appropriate committee or to the Rules Committee, and a rule does not lie to permit it to be considered in Committee of the Whole House on the state of the Union, without such report.

I do not want to delay the consideration of this matter, but I would like to refer the chairman of the committee to Rule XI, defining the duties and powers of various committees.

On page 337, Rule XI, it is provided that all proposed legislation shall be referred to committees of the House.

And then follows the various committees and their jurisdiction. The first paragraph of this rule recites that this rule is mandatory upon the Speaker in reference to public bills and upon Members in reference to private bills and petitions under Rule XXII. Not that it is optional with the Speaker; not that the committee has the power to set aside this mandatory rule of the House; but that it shall be mandatory upon the Speaker and upon Members.

The bill abolishing the court was introduced and referred to the Judiciary Committee of this House, but that committee has made no report. Now, when we turn over to page 339, we find this:

On judicial proceedings, civil and criminal law, to the Committee on the Judiciary.

Now, I hold that if that rule is mandatory, any general legislation shall be referred by the Speaker if the bill is about a general law, or by any Member if it is a private bill, it is not proper for the Appropriation Committee to embody it in an appropriation bill, even though backed up by the Rules Committee, because the Rules Committee is powerless to set aside a law of the House. If the bill provided for by the proper committee had been reported to the House by the Judiciary Committee it would have been proper for the Rules Committee to have brought in a rule making that bill in order. But there being no report from the Judiciary Committee, and as this rule is obligatory upon the Speaker and on the House, I claim that my point of order should be sustained.

The CHAIRMAN. The special rule making these paragraphs in order is a sufficient reason for overruling the point of order. It is not a question whether the Rules Committee had a right to report the rule to the House for the House adopted the rule, and the House has a right to suspend any rule that it has adopted and to adopt another in its place, and that is what the House did. The Chair overrules the point of order.

Mr. FITZGERALD. Mr. Chairman, in order to facilitate matters, I ask unanimous consent that this provision be debated for an hour and a half, and that amendments be offered during that time, and at the close of the discussion to vote on the amendment.

Mr. BROUSSARD. How is the time to be divided?

Mr. FITZGERALD. One-half to be controlled by the gentleman from Louisiana, who is opposed to the proposition, and one-half by myself.

Mr. MANN. How much time does the gentleman from Louisiana wish?

Mr. BROUSSARD. I do not want much time, but on the four propositions I think I would like about an hour.

Mr. FITZGERALD. Oh, the gentleman does not want to take an hour.

Mr. BROUSSARD. I should want at least 25 minues to explain my amendment.

Mr. ADAMSON. Will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. ADAMSON. If the gentleman's amendment that he speaks of is offered and a point of order disposed of, we might decide more intelligently as to the time wanted.

Mr. FITZGERALD. Oh, I want to complete the bill to-night.

Mr. BROUSSARD. Then I would like 20 minutes.

Mr. FITZGERALD. I have no desire for any time myself.

Mr. BROUSSARD. On the whole, I would like 25 minutes.

Mr. BORLAND. And I would like 15 minutes.

Mr. FITZGERALD. I will take no time myself, I am willing to yield my time.

Mr. BARTLETT. Mr. Chairman, I have an amendment which I propose to offer.

Mr. FITZGERALD. I am trying to find out how much time is wanted on both sides. I suggest that we take an hour and a half in all.

Mr. MANN. As far as the opposition to the bill is concerned, the gentleman from Louisiana is on that side and so am I. I think we will be willing to agree to 45 minutes on this side, of which the gentleman from Louisiana may have 25 minutes.

Mr. FITZGERALD. Yes; and the gentleman from Illinois 20 minutes.

Mr. MURDOCK. I am on the gentleman's side. I am for the abolition of the court.

Mr. FITZGERALD. How much time does the gentleman from Illinois want?

Mr. MANN. I suggest that we take 45 minutes, as far as I am concerned, in opposition, the gentleman from Louisiana [Mr. BROUSSARD] to have 25 minutes, and I to control 20 minutes.

Mr. FITZGERALD. The gentleman from Georgia [Mr. BARTLETT] wishes to offer an amendment.

Mr. BARTLETT. I have an amendment that I desire to present.

Mr. FITZGERALD. Mr. Chairman, I ask unanimous consent that there be an hour and a half of discussion on this provision, that amendments may be offered during that time, and that at the end of an hour and a half a vote be taken on the amendments, the gentleman from Louisiana [Mr. BROUSSARD] to control 25 minutes, and the gentleman from Illinois 20 minutes, and I 45 minutes.

Mr. ADAMSON. Mr. Chairman, reserving the right to object, if I correctly apprehend the substance of the amendment proposed by the gentleman from Louisiana [Mr. BROUSSARD], if it should not be ruled out of order on a point of order, I might desire 10 or 15 minutes in which to reply to that proposition.

Mr. MANN. But the gentleman could get that on the point of order.

Mr. MURDOCK. Mr. Chairman, I would like to have the gentleman from New York yield me some of his time. I shall have to get it from him.

Mr. FITZGERALD. Yes.

Mr. BORLAND. Mr. Chairman, reserving the right to object, the gentleman from Louisiana proposes to offer an amendment giving shippers a right of appeal, which I intend to favor, and I would like to have 15 minutes on that.

Mr. FITZGERALD. I can not consent to 15 minutes for one gentleman upon this matter.

Mr. BORLAND. Then I shall have to object.

Mr. FITZGERALD. I can do the other thing. I can have the amendments offered and close debate on the amendments in much shorter time.

The CHAIRMAN. The gentleman from New York asks unanimous consent that debate on this provision be limited to one hour and a half, 25 minutes to be controlled by the gentleman from Louisiana [Mr. BROUSSARD], 20 minutes by the gentleman from Illinois [Mr. MANN], and 45 minutes by himself, that during that time amendments be offered, and that at the end of that time the amendments be voted on. Is there objection?

Mr. BORLAND. Mr. Chairman, I object.

Mr. BARTLETT. Mr. Chairman, I have an amendment which I desire to offer.

Mr. FITZGERALD. Mr. Chairman, I intend to close debate on this amendment and all amendments.

Mr. ADAMSON. Mr. Chairman, I ask as a compromise that 1 hour and 40 minutes of debate be allowed.

Mr. FITZGERALD. I am willing to consent to that. The gentleman from Missouri [Mr. BORLAND] is opposed to the abolition of the court, I understand?

Mr. MANN. Oh, no; I think not. I think nobody knows how the gentleman stands. He is straddling it.

Mr. ADAMSON. Mr. Chairman, I ask that my proposition be submitted, compromising on 1 hour and 40 minutes.

The CHAIRMAN. What is to be done with the additional 10 minutes?

Mr. FITZGERALD. Mr. Chairman, I suggest that the Chair control the time.

Mr. MANN. We can not make that arrangement, because the gentleman from Louisiana [Mr. BROUSSARD] desires more time than five minutes.

Mr. FITZGERALD. He is in opposition, and ought to be given more time.

Mr. MANN. I am perfectly willing to give it to him, but he could not have it if the Chair controlled the time.

Mr. ADAMSON. Make it an hour and 50 minutes.

Mr. MANN. I do not think that all of the time should be given to that side of the House, which favors the abolition of the court.

Mr. FITZGERALD. Is the gentleman opposed to the provision in the bill?

Mr. MANN. Why does not the gentleman ask me if I am living? I have opposed the abolition of the court a number of times.

The CHAIRMAN. The Chair will put the request as made by the gentleman from Georgia, that debate on the provision be limited to an hour and 40 minutes—25 minutes to be controlled by the gentleman from Louisiana [Mr. BROUSSARD], 30 minutes by the gentleman from Illinois [Mr. MANN], and 45 minutes by the gentleman from New York [Mr. FITZGERALD]. Is there objection? [After a pause.] The Chair hears no objection.

Mr. BROUSSARD. One moment, Mr. Chairman.

Mr. FITZGERALD. Mr. Chairman, the Chair has not accounted for all of the time.

Mr. ADAMSON. I want the gentleman from New York to have as much as the other side.

Mr. FITZGERALD. I do not think that I should be deprived of any of my time.

Mr. ADAMSON. I want an equal division of the hour and 40 minutes.

Mr. MANN. I will yield 10 minutes to the gentleman from Missouri [Mr. BORLAND].

Mr. ADAMSON. There would be one easy way out of this and that would be for the gentleman from Missouri [Mr. BORLAND] to speak five minutes on each side. [Laughter.]

Mr. BORLAND. I do not know but what I can accommodate the gentleman from Georgia.

Mr. FITZGERALD. I ask the Chair to submit the request to see if there is objection.

Mr. MANN. It has not been objected to.

The CHAIRMAN. That gives the gentleman from Illinois [Mr. MANN] 30 minutes, of which he is to yield 10 minutes to the gentleman from Missouri [Mr. BORLAND].

Mr. MANN. I do not want that in the request.

The CHAIRMAN. The request is that debate be limited to 1 hour and 40 minutes, 25 minutes to be controlled by the gentleman from Louisiana, 30 minutes by the gentleman from Illinois, and 45 minutes by the gentleman from New York. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

Mr. FITZGERALD. And during that time amendments may be offered and voted on at the conclusion of the discussion.

The CHAIRMAN. The Chair understood that to be included in the request.

Mr. MANN. Of the 30 minutes allotted to me I now yield 10 minutes to the gentleman from Missouri [Mr. BORLAND], to be occupied by him when he gets the floor.

The CHAIRMAN. The gentleman from Georgia now offers an amendment.

Mr. CULLOP. I ask that the amendment of the gentleman from Georgia be reported.

The CHAIRMAN. Does the gentleman from Georgia desire now to have his amendment reported?

Mr. BARTLETT. I do.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amend by adding, on page 21, in line 15, after the word "repealed," the following: "The five additional circuit judgeships provided for by the act of Congress approved June 18, 1910, and by chapter 9 of the act entitled 'An act to codify, revise, and amend the laws relating to the judiciary,' approved March 3, 1911, are hereby abolished and the authority in said acts of Congress for the President, by and with the advice and consent of the Senate, to appoint 5 additional circuit judges is hereby repealed, and the number of circuit judges is hereby reduced to 20. So much of the act of June 18, 1910, and of March 3, 1911, as

authorizes or directs the said 5 judges to preside in the circuit or district courts of the United States or in the circuit courts of appeals or to exercise any of the powers, duties, or authority of circuit or district judges or of said circuit or district courts or of said circuit courts of appeals is hereby repealed."

Mr. MANN. Mr. Chairman——

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

Mr. MANN. To offer an amendment.

Mr. FOSTER. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from Illinois reserves a point of order on the amendment offered by the gentleman from Georgia.

Mr. FITZGERALD. Mr. Chairman, I ask for a ruling on the amendment. I do not want time wasted if it is in order.

The CHAIRMAN. What is the point of order?

Mr. FOSTER. The point of order is that this amendment offered by the gentleman from Georgia is not germane to this particular section, because this deals with the court and not with these particular judges. Then another is that this amendment changes the law as it now exists with reference to these judges and is not germane as to this paragraph.

Mr. BARTLETT. Mr. Chairman, in reply to that, if it needs reply——

Mr. FOSTER. And further, that the judges are independent of the court and are only designated as Commerce Court judges temporarily as circuit judges of the United States.

Mr. BARTLETT. Mr. Chairman, this is germane to this particular section because it proposes to repeal the act itself. The paragraph commencing in line 4 and ending in line 15 itself repeals. It repeals part of an act which this paragraph itself repeals the law establishing the court. If you will examine the law, the establishment of the court and the appointment of the judges is under paragraphs 1 and 2 of the act of 1910, and it goes further than that and repeals the law as contained in the judiciary act of 1911. So it is germane to this particular section. It can not be said not to be in order because it changes existing law, because the whole paragraph and the whole section about the Commerce Court itself changes existing law and is made in order upon this bill. The rule that reported this amendment which made it not subject to the point of order provided that you should not offer an amendment to the site-agents section of the amendment, but it did not say you should not offer an amendment to this part of it, and the debate upon the rule will show that I inquired of the gentleman from Georgia [Mr. HARDWICK] when he was presenting the rule if it was the intention of the committee to prevent amendments to this paragraph, and he said not. Now, the rule is well established that when there is a bill which would change existing law and the bill is made in order that amendments to it which change existing law are not subject to the point of order, and I apprehend the Chair will not at this time undertake to determine whether this is a valid amendment in law that we propose to pass, whether it is subject to the point of order as not being germane to this section.

Mr. MANN. Mr. Chairman, I would like to be heard on the point of order.

Mr. Chairman, the amendment is so clearly subject to a point of order that I would like to call the attention of the Chair to the situation. Any germane amendment to this paragraph is in order, the paragraph itself having been made in order; but the paragraph is to be treated as though, being subject to a point of order, no point of order had been made to it. The amendment would have to be germane to the provision.

Now, would the Chair or anyone else think that it was germane to this provision to abolish all the circuit judges of the United States? There is no provision in here for abolishing a judge.

Now, is it germane to provide for the abolition of all the circuit judges of the United States? Yet the gentleman from Georgia [Mr. BARTLETT] offers an amendment fixing the number of circuit judges hereafter at 29. His amendment, if it is permitted to go in, is plainly subject to amendment. You could reduce the 29 to 1 or to a cipher if you wished to, because if his amendment is in order an amendment to that is in order, fixing the number different from the number he has indicated.

It is not in order on this bill, on this proposition, to change the number of circuit judges or to abolish the circuit judges or to fix the number of circuit judges. It might be as easily claimed, if the gentleman from Georgia can offer his amendment, that we might increase the number of circuit judges to 39. The gentleman proposes to reduce the number from 34 to 29. It is germane to his proposition to increase the number from 29 to 39. Yet no one would claim that upon the consideration of the bill to abolish the Commerce Court it was a germane amendment to increase the number of circuit judges in the United States by 5. There is no escape from the logic of that.

Mr. CULLOP rose.

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

Mr. CULLOP. I desire to address myself to the point of order.

I submit, Mr. Chairman, that the point of order is well taken; that the amendment is out of order, and does not come within the purview of the special rule that enables new legislation to be carried in this bill.

That rule was directed only to legislation abolishing the Commerce Court. These judges exist by virtue of law irrespective of the Commerce Court, and they are a part of the Federal judiciary of the country. They are only selected or transferred by the President for the purpose of holding the Commerce Court while the Commerce Court law remains in force and on the statute book.

But this amendment to abolish the five judges created by the statute does not come within the application of this rule at all, and is not covered by it. The attempt made here to add an amendment abolishing five of the judges of the Federal court is clearly out of order, and is not within the provisions of the rule in any respect whatever. This amendment is in direct conflict with article 3, section 1, of the Federal Constitution, and would be invalid if adopted. The special rule adopted permits legislation in this bill abolishing the Commerce Court, but it does not provide for legislation abolishing the offices of five circuit judges. Because these five circuit judges hold the Commerce Court is no reason for the abolishing of their offices. That could not be done even if authorized by the special rule. I respectfully submit the point of order made against the amendment is well taken and ought to be sustained.

Mr. FOSTER. Just a moment, Mr. Chairman. I think if the Chair will make the distinction which exists in reference to these judges in connection with the court he will see that these judges are not created especially for the Commerce Court, but are designated from the circuits, I think by the Supreme Court, one each year, to act as Commerce Court judges, so that when the Commerce Court is abolished these circuit court judges go back to their circuits. The distinction ought to be understood—that they are not Commerce Court judges, but circuit court judges of the United States.

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

The CHAIRMAN. Does the gentleman yield?

Mr. FOSTER. Yes.

Mr. MURDOCK. How many circuit judges were there before the Commerce Court was created?

Mr. BARTLETT. Forty-two, I believe.

Mr. MURDOCK. Twenty-nine.

Mr. BARTLETT. Yes; twenty-nine.

Mr. MURDOCK. And when the Commerce Court was created there were 34. Now, when the Commerce Court is abolished, there ought to be 29 again. These men are not going back to their circuits. There are no circuits for them.

Mr. FOSTER. There is an attempt to create additional circuits and there are places where they now act.

Mr. MURDOCK. That might be true.

Mr. FOSTER. And there might be use for them at another time. But I think the Chair will recognize that these are not specially Commerce Court judges, but they are judges of the United States circuit courts, designated for a time temporarily to act as Commerce Court judges.

Mr. BARTLETT. Mr. Chairman, just a suggestion. I beg to suggest to the Chair that this amendment does come within the rule. It abolishes offices, reduces expenditures, and repeals the law creating the new offices; and therefore it comes within the Holman rule requirement of reducing expenditures.

Besides, Mr. Chairman, the amendment proposes to repeal the law which creates these judges. This provision repeals the court, and it simply extends the appeal to the office as well as to the court.

The CHAIRMAN. The Chair thinks the amendment is germane.

Mr. ADAMSON. Mr. Chairman, I would be glad to be heard against that proposition for a moment.

The CHAIRMAN. The Chair is ready to rule.

Mr. ADAMSON. I do not think the Chair's ruling will be the correct ruling in that case, and I want to call the Chair's attention to a distinction, though I may be infelicitous in the use of language.

The act of 1910 created a Commerce Court. In the paragraph creating it, defining its powers and duties, it did not undertake to put judges on it, but in a subsequent paragraph it was pro-

vided that circuit judges should preside in that court, and while the President is authorized to appoint five other circuit judges, the five named became part of the general body of circuit judges.

The body of circuit judges was increased by those five. The Commerce Court itself is an entirely distinct and independent creation from the judiciary body of circuit judges. The court can be abolished without interfering at all with the judges, because the law itself provides for them to go back to their circuits, as each one serves his turn on the Commerce Court, and resume the circuit work. It is not germane to a proposition to abolish a court, which is independent in itself, to attempt to reform and modify the judicial system of the United States. It is not germane to a proposition to abolish this court to say that circuit judges who have been designated to serve upon it shall also be recalled when their office and life tenure as circuit judges are entirely independent of the Commerce Court.

The CHAIRMAN. The Chair thinks that under the Holman rule this amendment is germane.

Mr. BARTLETT. Mr. Chairman, I voted against the establishment of the Commerce Court. In company with my friend and colleague from Georgia [Mr. ADAMSON], Judge RICHARDSON, of Alabama, and Mr. PETERS of Massachusetts, a minority report was made against the establishment of this court and the creation of these offices. I have voted in this House on several occasions to abolish the court. I think it was an unnecessary creation of a useless court. When the decisions of that court first came to be considered by the greatest court on the face of the earth, the Supreme Court of the United States, that court reversed them because they set themselves up to destroy the policy of Congress in enacting the interstate-commerce law.

In the case of Procter & Gamble *v.* United States (225 U. S., 282, 294, 295, 298) the Supreme Court reversed the decision of the Court of Commerce (188 Fed., 221), holding that the court had jurisdiction to grant relief from an order of the Interstate Commerce Commission refusing to award the relief sought, on the ground that the jurisdiction conferred by clause "second," section 207, of this code, "to enjoin, set aside, annul, or suspend in whole or in part any order of the Interstate Commerce Commission," applied only to affirmative orders of the commission. Mr. Chief Justice White said:

> It can not be disputed that the act creating the Commerce Court was intended to be but a part of the existing system for the regulation of interstate commerce, which was established by virtue of the original adoption in 1887 of the act to regulate commerce, and which was expanded by the repeated amendments of that act which followed, developed in practical execution by the rulings of the body (Interstate Commerce Commission), upon whom was cast the administrative enforcement of the act, the whole elucidated and sanctioned by a long line of decisions of this court. That in adopting the provisions concerning the Commerce Court and making it part of the system, it was not intended to destroy the existing machinery or method of regulation, but to cause it to be more efficient by affording a more harmonious means for securing the judicial enforcement of the act to regulate commerce is certain. * * * The first six sections, which called into being the Commerce Court and defined its powers all demonstrate the purpose as above stated; that is, to adjust the powers and duties of the newly created court in such manner as to cause them to accord with the system of regulation provided by the act to regulate commerce as it then existed. * * * It is impossible, we think, in reason, to give to the act creating the Commerce Court the meaning affixed to it by the court below, since to do so would be virtually to overthrow the entire system which had arisen from the adoption and enforcement of the act to regulate commerce.

I have not the time to enter into a legal argument as to the right of Congress to abolish the office of judge created by act of Congress. It is true that these judges after being appointed hold their office during good behavior; but as a lawyer I maintain the proposition that when you create an office, and that office is filled by appointment as provided by the Constitution, if you take away the office the whole superstructure falls. No judge can hold an office when the power that creates the office takes the office away.

When Adams went out of office on the 4th of March, 1801, he appointed what were called the "midnight judges," who were commissioned as circuit judges. When Jefferson came in, answering the demands of the people, he had Congress repeal the law that created those seven circuit judges, who had their commissions in their pockets. Jefferson restored the old judicial system of district judges, requiring the Supreme Court judges to sit as circuit judges, and those seven circuit judges appointed by Adams were turned out of office, and they never had the effrontery to appeal to Congress to pay their salaries. It was such a well-accepted doctrine that it never was questioned; and I, as a representative of the people, stand here to assert that no judge, and no other officer who draws his power to hold an office from an act of Congress, can become greater than the creator and hold that office in spite of the will of Congress. We are repealing the law that creates this court. Let us at the same time repeal the act that creates the office of judge, take away the power of the judge to hold office, and let the courts settle the question. As a lawyer, after some investigation which I have not the time to state to the House now, I have not the slightest doubt that if we enact this amendment and repeal the act that creates the office of judge, repeal the act to establish the court, the court will go, the office of judge will go, and the judges themselves will go. Either that, or else we have arrived at that stage in the history of this Republic where an officeholder created by act of Congress is greater than the creator of the office—the Congress itself. For myself I am willing to vote to abolish this court, but I think we should follow it with this amendment that not only strikes the court from the statute book, but takes away from the judge whose office was created by this act the right to continue longer in office. [Applause.]

Mr. FITZGERALD. I yield to the gentleman from Kansas [Mr. MURDOCK] 10 minutes.

Mr. MURDOCK. Five minutes will be enough.

Mr. MANN. The gentleman might take the 10 minutes and reserve 5.

Mr. MURDOCK. I will take the 10 minutes and reserve 5.

Mr. FITZGERALD. I will only give the gentleman five minutes.

Mr. MURDOCK. Mr. Chairman, I favor the proposition in the bill which abolishes the Commerce Court, and I also favor the amendment which has been offered by the gentleman from Georgia [Mr. BARTLETT] which does away with the five judgeships. It must be that Congress is not helpless in a matter of this kind. When the Commerce Court was created we created along with it 5 circuit judges. Previous to that there had been 29 circuit judges in this country. The additional 5 created made the number 34. Now, the court itself is to pass, and when the court passes these 5 additional and unnecessary judgeships should pass with it. I particularly favor the abolishment of the Commerce Court, because I believe that it was not only useless but that its creation has tended to defeat justice in the matter of the regulation of railroad rates. The Interstate Commerce Commission was created largely because of delay which met the shipper when he sought redress in the courts.

The Interstate Commerce Commission, a legislative creature, in its development through the years met with many obstacles in judicial limitations, and finally the special Commerce Court was established, created when Congress was really not inclined to create it, but because political powers forced the new court on Congress. When the new Court of Commerce was created it began to arrogate to itself powers which belonged to the Interstate Commerce Commission.

In one notable case in its short history the court took upon itself the right to review the administrative judgment of the Interstate Commerce Commission. The case came about through a complaint before the commission by Procter & Gamble, manufacturers in Cincinnati, who claimed that a railroad did not have a right to charge demurrage on a private car held on a private track and not unloaded.

The Interstate Commerce Commission acting in its administrative capacity, and entirely within its rights, held that the railroad rule should stand; that is, decided against Proctor & Gamble. That should have settled the matter; that should have been final. The Interstate Commerce Commission was created for making just such decisions final as the one which resulted from this dispute between Proctor & Gamble and the railroad. The original idea was to bring speedy relief in a controverted matter without recourse to the courts. But this new Commerce Court in its very beginning showed its disposition to go beyond its powers and take commission jurisdiction away.

Mr. BROUSSARD. Will the gentleman yield?

Mr. MURDOCK. Yes.

Mr. BROUSSARD. Did not the Commerce Court uphold the decision of the Interstate Commerce Commission?

Mr. MURDOCK. It did; but it went beyond its province. I agree that the Commerce Court upheld the Interstate Commerce Commission, but when the Commerce Court did that it went beyond its jurisdiction; it was reviewing the administrative judgment of the Interstate Commerce Commission, a thing it did not have the right to do, and the Supreme Court of the United States so held.

Mr. BARTLETT. The gentleman will find that decision in my remarks.

Mr. MURDOCK. There is no disagreement between myself and the gentleman from Georgia and the gentleman from

Louisiana. I am stating the fact—that the new Commerce Court arrogated to itself powers that it did not have.

Mr. BARTLETT. And undertook to destroy the powers of the Interstate Commerce Commission.

Mr. MURDOCK. I hope that the Commerce Court will be abolished. This is not the only time that it went beyond its jurisdiction, and if it is continued it will undoubtedly continue to do so in the future.

Mr. BROUSSARD. Mr. Chairman, do I understand that under the agreement all the amendments are to be offered now?

Mr. FITZGERALD. The gentleman has 25 minutes in which he can offer all the amendments he pleases.

Mr. MANN. Mr. Chairman, I desire to submit an amendment to be pending. The amendment is to strike out the entire paragraph.

The CHAIRMAN. Does the gentleman desire to be heard on it now?

Mr. MANN. Not at present; I want the amendment pending.

Mr. BROUSSARD. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 21, line 13, after the words "United States," strike out the comma and insert a period, and add the following words:

"The several district courts of the United States shall also have jurisdiction over the cases brought to correct any error of law made by the Interstate Commerce Commission in granting the rights and granting relief in any proceeding before said commission."

Mr. SIMS. Mr. Chairman, I make the point of order against the amendment.

The CHAIRMAN. What is the gentleman's point of order?

Mr. SIMS. The point of order is that it is not germane to the provisions of the bill which are made in order by a special rule. The provisions of the bill provide for two things—first, the abolition of the court, and second, vesting the jurisdiction from now on in the district court. Those are the two purposes of the legislation, and any amendment that follows this purpose is germane, but an amendment that is offered to increase or decrease the powers of the Commerce Court is not germane, or any amendment that increases jurisdiction of the court is not germane. The amendment proposes to give appeals to the courts from what is called negative orders of the commission, or, rather, no orders, and that is legislation on the powers of the commission which is not embraced within the legislation in the appropriation bill made in order under the special rule.

The CHAIRMAN. Does the gentleman from Louisiana desire to be heard?

Mr. BROUSSARD. I do, unless the Chair is ready to overrule my point of order.

I desire to present this proposition to the House: There has been a whole lot said here about the Commerce Court overriding the Interstate Commerce Commission. The fact of it is that Congress has never been willing to permit the poor shipper anywhere in this land to appear before this court. We have sought here to give him that right, and it is germane to the jurisdiction that some are now seeking to abolish, to give that jurisdiction to the district courts of the country, so that, as my friend from Kansas [Mr. MURDOCK] says, when the commission seeks to override the shipper in favor of the railroads the shipper may have a chance to go into the district court and present his case.

Mr. MURDOCK. Mr. Chairman, I think the gentleman does not intend to misstate my proposition.

Mr. BROUSSARD. No; but the gentleman will have a chance, because I propose to offer another amendment.

Mr. SISSON. Mr. Chairman, I rise to a point of order. I want to know whether the gentleman from Louisiana is now consuming a portion of his time or debating the point of order?

Mr. BROUSSARD. I am debating the point of order.

Mr. SISSON. Then, Mr. Chairman, I make the point of order that the gentleman is not talking to the point of order, because the committee has endeavored to limit debate upon this question to an hour and 45 minutes. I have no objection to the gentleman discussing the point of order.

The CHAIRMAN. The point of order is well taken.

Mr. BROUSSARD. I think the amendment is germane. The provision in the pending bill seeks to take jurisdiction from one court and vest it into several courts. I think that this matter is subject to amendment upon the floor of the House or in this committee of the House, and that is exactly what I seek to do by my amendment.

I seek to extend the jurisdiction of the United States district courts, just as the Rules Committee, under the provision fixed in this bill, proposes to extend the jurisdiction of those courts. It is proposed in this bill to take the jurisdiction which belongs somewhere and vest it in several other courts elsewhere in the Nation. If that is true, which we all know is true, why is it not competent under the rule to go a little further and extend that jurisdiction to other courts upon a question absolutely germane to the particular jurisdiction recited in the bill? If the Commerce Court is abolished, the district courts have, under this bill, jurisdiction over every affirmative order of the commission whenever it may please the railroads to apply to any district court in the United States. If that jurisdiction is extended to the district courts, in favor of the railroads, why can it not be extended to shippers when the commission decides against them? And the question being so germane, I submit to the Chairman that the ruling just made by the Chairman with regard to the amendment of the gentleman from Georgia applies with greater force in this case than in the case of the gentleman from Georgia [Mr. BARTLETT].

Mr. FITZGERALD. Mr. Chairman, this provision does two things. It purports to abolish the Commerce Court and it purports to make provision for the litigation over which that court now has jurisdiction. It does not give any new right to any parties. The amendment of the gentleman from Louisiana proposes to extend the rights which are not now in existence, under the law, and it seems to me there is quite a distinction and that it is not germane. I ask for a ruling.

The CHAIRMAN. While the Chair is in some doubt, he believes the amendment to be germane, and overrules the point of order.

Mr. BROUSSARD. Mr. Chairman, I can now yield to the gentleman from Missouri [Mr. BORLAND] if he desires to discuss the amendment. This amendment is a bill that was introduced by him in the last Congress and unanimously reported by the Committee on the Judiciary.

Mr. FITZGERALD. He has 10 minutes. The gentleman from Illinois gave him 10 minutes.

Mr. BORLAND. I will ask the gentleman from Illinois to yield me 10 minutes of his time.

Mr. MANN. I yielded the gentleman 10 minutes a while ago.

The CHAIRMAN. The gentleman from Missouri is recognized for 10 minutes.

Mr. BORLAND. Mr. Chairman, this amendment is the exact wording and substance of a bill that was introduced by me in the Sixty-second Congress and referred to the Committee on the Judiciary, considered by that committee in full hearing, and reported by the committee in report No. 1012 of the Sixty-second Congress, second session. So that it is not a new proposition at all. It has been before a committee of this House, clothed with ample jurisdiction to consider it, and has been considered and favorably reported by that committee. The question is what it seeks to do. It is very brief in its language. It says that the district courts shall have the jurisdiction in cases to correct any error of law made by the Interstate Commerce Commission in granting or refusing to grant relief in any proceedings before said commission.

In the present condition of the law the shippers have not an equal chance with the railroads in reviewing the action of the Interstate Commerce Commission. This amendment is designed to put the shippers on an equal footing with the railroads.

The condition of the law as decided by the Supreme Court of the United States in the Procter & Gamble case was that if the shippers applied to the commission for relief from certain practices of the railroads, certain conditions of service, certain charges which were imposed upon traffic, or a division of earnings or any other proposition, and upon presentation of their case to the commission it was decided that the case did not come within the letter of the interstate-commerce act, the shippers could not have any relief under the law. The order of the commission was said to be a negative order, and, even though based on an erroneous view of the law, was not reviewable. The shippers then were foreclosed from any other action. But take the other side of the proposition. If the Interstate Commerce Commission decided upon the same state of facts that the interstate-commerce law did cover the case, and did give the shippers relief, and ordered the railroad to cease the practices in which they were engaged or abate the charges which they were making against the shippers, then the railroads have unlimited power of appeal. That was the difference between an affirmative order which was made against the railroad and a negative order which was made against the shippers on the same state of facts, on the same points of law, the point of law being whether the act complained of came within the wording of the interstate-commerce law. Now, we say that the shippers should have the same right to an appeal to the courts on points of law that the railroads have. Every man here concedes and has conceded in all these arguments and hearings that the right of appeal of the railroads can not be taken away. The railroads now have a right of appeal to the courts in three cases, as stated in these hearings. First, confiscation. If the

order made by the Interstate Commerce Commission be confiscatory of the railroad company's property. That, they say, is a constitutional right which can not be taken away. We do not want to take it away. Second, an error of law. The railroads have a right to appeal, the Interstate Commerce Commission says, not only on confiscation, but on errors of law. Third, arbitrary and unwarranted action; that is, if the Interstate Commerce Commission exceeds its power, even in a case where it has jurisdiction.

In those three cases—confiscation, errors of law, arbitrary and unwarranted action—the railroads have full right of appeal. In those three cases the shipper has no right of appeal. In the first place, the shipper can not prove a case of confiscation of his business against a common carrier. As to the other two cases, errors of law will exist in many cases, or arbitrary or unwarranted action may possibly exist; in those two cases the shippers ought to be on precisely the same basis as the common carrier. This amendment does not say anything about arbitrary or unwarranted action, because we are not assuming that the Interstate Commerce Commission is going to be prejudiced against the shippers. The railroads have the right to appeal on unwarranted and arbitrary action, but our amendment goes only to one of those three cases in which it is conceded the railways have the right of appeal. We ask that the shippers be given the right of appeal on errors of law made by the commission. This is not a question relating solely to any special line of business. There will be a good deal of opposition by members of the Interstate Commerce Committee of this House on the ground that this is some kind of a special privilege applying to a special class of industry. Now, every industry in the United States is a special industry as far as that is concerned. The lumber business is a special industry. Of course, the soap industry of Procter & Gamble is a special kind of industry and business. Each industry raises a special question for the consideration of the Interstate Commerce Commission, but this law is not directed to any special line of business. It is particularly applicable, however, to the lumber business of the great Southwest—Missouri, Kansas, Arkansas, Texas, and Louisiana.

The lumber business is one of the most important lines of industry for the development of the Southwest. It is the great pioneer in opening up the country. It is a highly competitive business. Lumber can not be gotten out to market unless the millman has a little lumber road to take his product down to the trunk-line railroad. The millman has to build that little road himself. He goes back into the country 50 or 100 miles from a railroad and sets up his little sawmill. He begins to develop the country and get out lumber. Throughout all the Southwest there is a blanket rate on lumber to the basic point on the Mississippi River. Mills located on the trunk-line railroads or within switch limits therefore get the benefit of that rate, but mills located back in the country are largely at the mercy of the trunk-line roads as to what allowance they would get for bringing the lumber down. This is a most unfortunate conditions of affairs, so far as the business interests of the Southwest are concerned. I plead very earnestly for fair treatment and an equal show for all business men, big and little, in these transportation matters.

The railroads are bitterly opposing this change. They have no right to do so, for they should have no special privilege that is not given to the shippers.

Many good men have been misled by the false clamor that has been raised about this bill.

It was first said that it applied only to a special line of cases—the tap-line cases. This is not true, because the Interstate Commerce Commission changed the form of its ruling in the tap-line cases from a negative order to an affirmative order. Thereupon the tap-line cases were taken into court, where they are now. This shows that the bill did not have for its sole purpose enabling the tap-line cases to get a trial.

It was said also that this would enlarge the rights of the railroads to appeal. Such a thing is clearly impossible, for the railroads have almost unlimited rights in that direction now. It is the shipper who has no right of appeal, and the railroads do not want him to have. It was said, also, with more noise than truth, this was an attempt to destroy the Interstate Commerce Commission. Instead of being an attempt to destroy, it is an attempt to perfect that system. I believe strongly in the strict regulation of railroads, and I believe the Interstate Commerce Commission is a splendid thing. It ought to be upheld and sustained, but its benefits ought to be made as equal as possible. I maintain, without fear of successful contradiction, that most of the railroad legislation and decisions of the past 20 years have been a direct aid to the railroads.

I come from a great railroad center and know something about the matter. The truth is that the railroads are getting more clear money out of their business to-day than ever before in their history. Twenty years ago they were giving rebates right and left to all big shippers. A man would hardly ship a carload of freight without asking for and getting a special rate. The railroads seldom collected tariff on anything. Now they get full tariff on everything, which is clear gain for the railroads. The railroads used to employ an army of traffic agents, soliciting freight agents, and so forth, with fine offices and big expense accounts, to get business. Now all that has ceased. They used to give passes right and left. Hardly a respectable white man wanted to pay fare. A man felt cheap if he could not get a pass. Cut-rate tickets were openly sold at the broker's offices. Now all this is changed. Everybody pays fare; even the politicians. This is all right, but the railroads are winners to that extent. They even charge now for excess baggage.

All these abuses were properly corrected, but the reforms put money in the pockets of the railroads. This saving ought to come back to the people by a general reduction of freight rates, but it has not done so. When the railroads stop paying rebates to the big shippers, then the little shippers ought to get some reduction in the general tariff rates, but they did not get any reduction. The railroads simply pocketed the winnings. I am glad to see the railroads prosper, but my main interest is to see that the shippers get not only uniform rates but as low rates as possible. It makes a big difference to a business community that is as far from the seaboard as Kansas City.

This bill has been indorsed practically by every commercial body in the United States. It has been indorsed by every city big enough to have a traffic bureau maintained by the shippers instead of by the railroads. There is not a city big enough to have a traffic bureau of its own that has not indorsed this legislation. I think that statement can be made almost without exception, and nearly every board of trade, nearly every business club, nearly every business association in the South and Southwest has asked to be put on the same basis as the railroads.

The great main point is that the railroads to-day are the ones that have the power of appeal, and use the power of appeal, and use it to the Commerce Court, to the district court, to the Supreme Court, to any court. When you present the question to your body of shippers and say, "Gentlemen, you have the right to petition the Interstate Commerce Commission in regard to these terminal charges, or bridge charges, or whatever they may be, but if the Interstate Commerce Commission says it does not come within the purview of the interstate-commerce law, then, gentlemen, you are out of court. If they say it does come within the jurisdiction of the Interstate Commerce Commission, then, if they are wrong in that decision, the railroads could have appealed." This is not equality for the shippers. [Applause.]

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

Mr. BROUSSARD. Mr. Chairman, I have some amendments I want to offer. This first amendment is contingent upon the defeat of the amendment introduced by the gentleman from Missouri [Mr. BORLAND], and inasmuch as it is decided to be pending, and I have nothing to conceal in my efforts, I would be satisfied to have it reported now for information and considered as pending.

The CHAIRMAN. The gentleman from Louisiana [Mr. BROUSSARD] offers an amendment, which will be considered as pending. The Clerk will report it.

The Clerk read as follows:

On page 21, line 11, after the word "thirteen," strike out the comma and insert a period. Strike out, after said period, the balance of page 21 and all of pages 22, 23, 24, and strike out all of that part of page 25 up to and including line 17 and insert in lieu thereof the following: "And no court in the United States shall entertain jurisdiction of any suit to enforce, suspend, set aside, in whole or in part, any order of the Interstate Commerce Commission, but such orders of said commission shall be final as to questions of law as well as to questions of fact."

Mr. SIMS. Mr. Chairman, I make the point of order against all of this amendment as legislation upon what the courts can do or can not do in the future, because certainly it is not within the proper legislative provisions of this appropriation bill, made in order by the rule.

The CHAIRMAN. The Chair will reserve his decision until the amendment comes up for consideration. The Chair understands this amendment will not be offered if the other is adopted.

Mr. BROUSSARD. If the other amendment is adopted, then of course everybody has an equal chance, and I will withdraw this one. If the other is defeated, then I propose to press this amendment.

Mr. SIMS. If the amendment which was discussed by the

gentleman from Missouri [Mr. BORLAND] is adopted, then you do not propose to offer yours?

Mr. BROUSSARD. I do not.

Mr. SIMS. I want to make the point of order in time.

The CHAIRMAN. The point of order will be considered as made.

Mr. SIMS. If the gentleman has other amendments to offer, I shall be glad to have him offer them as he did this, and let us know what they are.

Mr. BROUSSARD. This is all. The gentleman from Illinois offered one amendment which I intended to offer.

Mr. SIMS. I did not know how many the gentleman intended to offer. I thought he had about four.

Mr. BROUSSARD. Mr. Chairman, I can use some of my time now.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana.

Mr. BROUSSARD. Mr. Chairman, this controversy over the Commerce Court has been going on ever since the creation of that court. There never has been a time when the lines of gentlemen fighting for and against the continuation of that court could be outlined with certainty until this very moment. As soon as the decision to which the gentleman from Kansas referred was announced by the Commerce Court and was reviewed by the Supreme Court of the United States the shippers of the country, who over the protest of every railroad in the country had been solely responsible for the creation of the Commerce Court, commenced their appeal to Congress by petition to give them an equal right with the railroads under the law. They came here and they found that there were two committees which claimed jurisdiction over this subject matter. They came here not by ones or tens or dozens, but by tens of thousands to petition Congress. Representative merchants, men of business, shippers—all came from every quarter of this Republic. They came from New Orleans, Boston, San Francisco, New York, Chicago, Philadelphia, St. Louis, Kansas City, and everywhere. They did not say, as my friend interprets the situation, that the Commerce Court had undertaken to override the work of the Interstate Commerce Commission, but they said that the Commerce Court was intended to give them their day in court and that Congress had permanently denied them that right. Scarcely had that decision been printed in the newspapers when the gentleman from Missouri had a bill before the Judiciary Committee which is the basis and wording of the resolution upon which I asked him to speak and in whose behalf he had spoken before the Judiciary Committee. At that time I was a member of the Interstate and Foreign Commerce Committee, which had reported the bill creating that court, and that very day I had a bill which I was trying to get out of the committee to give the shippers of the country an equal chance with the railroads. From that day to this we have fought, in and out. But now the proposition comes in this wise: The resolution means that, whether you maintain the Commerce Court or whether you vest the jurisdiction in the district courts of the United States, the shipper may be permitted, upon questions of law, to enter any court that the railroads are permitted to enter.

The second proposition I have is that if you will not give that right to the shipper, then take that right also from the railroads. You should align yourselves one way or the other on the proposition. What right has a corporation to be permitted to go into courts where the shipper is not permitted to go? Why do you insist upon giving the railroads the right to walk into the Commerce Court as they have been doing into the district court as is proposed in this bill unless the shipper also is given an equal opportunity to have an interpretation of the law involved in the order issued by the commission? I say the shipper ought to have his day in court, and if you say he shall not have it, then the railroads ought not to have it.

So I have offered two propositions, one to vest the jurisdiction in the district court, or the circuit court, or the Commerce Court, or in any other court that a railroad may go into, so as to have the law of the commission interpreted; that if the railroads may go into court to have the law interpreted the shipper may likewise step into that same court and have the law of the commission's order interpreted when the order is against him. If you will not give the shipper that right, when he alone is responsible for the creation of the Commerce Court, why will you give the same right to the railroads? Have they more rights than the shippers? Why will you give the right to the steamboat companies? Why will you give the right to the steamship companies, of which we hear so much about their controlling the transportation all around our 7,000 miles of coast line to the exclusion of every other country? Why should they have the right to go into court and your constituents from Indiana and mine from New Orleans not have the same right? God knows they have been driven out of business time and time again over the protest of the commission of Louisiana, of the Board of Trade of New Orleans, and every commercial body in the State, just simply because the Interstate Commerce Commission said, "No, we will not give you an order." An order of the Interstate Commerce Commission only lasts for 24 months, and under the old order of things it took the court more than 24 months to bring a case to a final decision, so that in many cases no result at all beneficial to the people was reached and the commission's order was absolutely nullified by the delays of the court in the trial of those orders, provoked by the carriers, to which the shippers were ever excluded, to the profit of the carrier and the confusion of the shipper, whether he was an individual or a community.

It all amounts to this, and I predict now that if you adopt this proposition you will not have any order of the commission not consented to by the railroads that will ever become effective. Why do I say that? I say that because I have talked with the Attorney General and have gone over the facts with him, and he says that the Interstate Commerce Commission's order is dead unless the railroad consents to it, and otherwise if any one of the 85 district judges in this Republic signs an injunction.

Why do I say this? Because the Interstate Commerce Commission says it. They have said it, they have published it. This is true if there can be found in the country a judge along the line of the traffic from the point of shipment to the point of destination who will sign an injunction against the shipper who commenced action, and he might as well abandon the suit, and the shipper might as well become ready to pay the railroad rates demanded, in the face of the decision of the orders of the Interstate Commerce Commission.

Now, I am putting this proposition fairly before you. I have no interest in the matter beyond the business interest of the city that stands at the mouth of the Mississippi River, which we believe, perhaps erroneously, will be the great gateway of the great valley when the Panama Canal is opened in the next 24 months. I have no interest in the matter except the demand of the individual shippers and commercial organizations of the city of New Orleans, of the railroad commission of my State, of Arkansas and of other Southern States, of the people living in the great Mississippi Valley, and of Kansas City, St. Louis, and every large town clear up the River to the Great Lakes demanding that if there is going to be any appeal from the findings of the Interstate Commerce Commission the shipper may come in equally and have an equal opportunity with the carriers—railroad and all.

Who stands here as the particular representatives of the carriers of the country? Who are standing as their spokesmen? Let me read you just one letter showing that there is nobody. You can not find in any of the hearings before the Committee on Interstate and Foreign Commerce, or the Judiciary Committee, or any other committee, one solitary shipper anywhere in the United States defending the abolition of this court.

You will find that they want the court abolished unless they themselves are given an equal opportunity with the railroads as the carriers, so they likewise can go before the courts upon questions of law.

Let me show you how the railroads view it. I have here a letter from the vice president of the New York, New Haven & Hartford Railroad Co. Let me show you how he looks at the matter as a railroad man and as a citizen:

> I have thought of you frequently during these last months, and of what it seems to me an unwise and unjust action by Congress in attempting to terminate the Commerce Court. From the standpoint of a railroad man perhaps I ought to be glad that we can go back to the district courts and have all of the delays and confusion arising from congested dockets and different lines of decision, but I hope that my sense of duty as a citizen overtops my railroad prejudices.

That is as close as you can get anybody to say he wants the abolishment of the Commerce Court. He hopes it will be advantageous to his corporation, but he hopes his duty as a citizen overtops his duty as a railroad man.

My friends, there can be no escape from the proposition. There is no question upon which there has been more misinformation than upon this question. I have not time to go over the whole matter. Take what my friend, the gentleman from Georgia [Mr. BARTLETT], usually a most accurate man, said awhile ago, that this court was trying to estop the Interstate Commerce Commission from enforcing the law which Congress had intrusted to that commission for interpretation and enforcement. Let me read to the gentleman from Georgia, if he is here, an opinion of the Assistant Attorney General, given the other day before the Judiciary Committee upon this point—the man who has looked after the cases arising from the Interstate Commerce Commission.

He says:

The orders of the commission upheld by the circuit courts in only 42 per cent of the cases, by the Supreme Court in 56 per cent, and by the Commerce Court in 67 per cent.

Here are the figures and the cases. And yet you say, men usually well informed, like my friend from Georgia [Mr. BARTLETT], like my friend from Kansas [Mr. MURDOCK], say that the moment the court was created it sought to strangle the efforts of the commission, and yet the court to which they proposed to refer under this proposition did not come within 40 per cent of upholding the commission as did the court which they propose to abolish. I cite that as an example of how they misrepresent the whole situation.

The fact is that when the Commerce Court was created the railroads, when orders were issued against them, were able through the law to delay matters to the length of 23½ months, and when the railroads lost their cases the people under the law got the benefit of the ruling for two-fifths of one year. When they got before the Commerce Court their cases were decided in 9½ months and orders were effective for nearly 15 months. The people got the benefit of that. What happened? Congress had refused to allow the people to go into the courts and they permitted only the corporations to go in them, and then the railroads very adroitly desired to do what this proposed legislation intends—to go into the district courts and have the delays to which this railroad gentleman refers in this letter, part of which I have read. They undertook to say to the people of our country that the Commerce Court was the enemy of the shippers, and was trying to throttle the Interstate Commerce Commission, when in fact that court had advanced the decision of cases until the case, as in the intermountain case, in which the constituents of the gentleman from Wyoming [Mr. MONDELL] are interested, was heard on a second trial in 76 days.

It is possible to make effective the commission's orders through this court; but if you are not going to maintain the court, then give the people an equal chance with the carriers in the court. If you do not want to give the people an equal chance with the carriers, then deprive the carriers of the court as well. The people are willing to stand by the decision of the Interstate Commerce Commission, but they are unwilling to stand by a one-sided court, where everyone opposed to the shippers can get an injunction and every decision that favors the shipper can not be tried in the courts. So I say that the proposition now comes for the first time in a logical way. We have never had an opportunity to present this matter in the way in which it is now presented.

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

Mr. BROUSSARD. Certainly.

Mr. OGLESBY. Will the gentleman kindly tell us which proposition he favors, whether he thinks the right of appeal should be taken from the railroads or should be given to the shippers?

Mr. BROUSSARD. I favor that right being given to the shippers. I believe there ought to be courts and that these courts ought to interpret the law of the land; so I favor the Commerce Court.

Mr. OGLESBY. That is, that both should have the right to appeal?

Mr. BROUSSARD. Yes; but I can not get anybody to hear the shippers' side on this floor. I have not been able for the last two years, any more than the gentleman from Missouri [Mr. BORLAND], even though backed up by the entire membership of the Judiciary Committee, to have a hearing on his bill until it was offered as an amendment in this way. Is it possible that the Congress has gotten to the point where the shipper can not get a hearing?

Is it possible that he is to be thrown out of Congress entirely and kept out forever from having this law interpreted? Is it possible that Congress has gotten to the point where no one can be heard on the floor unless he speaks for the carriers of the country? It is said that those who are talking for the people are simply talking to throttle the commission itself.

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

Mr. BROUSSARD. Certainly.

Mr. COX. The gentleman has studied this question exhaustively?

Mr. BROUSSARD. Yes; for the last two years.

Mr. COX. The gentleman's amendment, as I understand it, will give the shipper an equal chance along with the railroads to have his day in court?

Mr. BROUSSARD. Yes.

Mr. COX. And unless the gentleman's amendment is adopted the shipper will not have it?

Mr. BROUSSARD. He will not; and if it is not adopted, then the other amendment ought to be adopted and keep the railroads also out of the courts. Let us have the commission settle the whole thing. I am not afraid of the commission. I know the men on that commission as well as any man on the floor of this House. We are appropriating $300,000 in this bill to start the physical valuation of railroads in this country. Let me tell you that the commission is of the opinion now that it will take eight years to carry out what we instructed them to do in the last Congress with regard to the physical valuation of railroads and eight more years to have the court decide whether they are right or wrong if this bill goes through. There are 16 years in front of us. With $300,000 appropriated in this bill, we start to expend over $10,000,000 to do what? To accomplish a thing which, if everything runs smoothly, we will be able to legislate about in 16 years.

Now, is there any gentleman who doubts——

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

Mr. BROUSSARD. First, let me finish this. Is there any one who doubts there ought to be a central court here, so that the question of the physical valuation may be tried at once, so that the Illinois Central in Illinois, the Southern Pacific in Louisiana and California, and others may not have their physical valuation held from one end to the other, until the Supreme Court has an opportunity for a final judgment upon the physical cost of some railroad somewhere in New England, or possibly in my little borough down home, in order that it may take and construe the law and give effect to what Congress intended when it contemplated the expenditure of ten millions to get a physical valuation of railroads in order that we may legislate intelligently and assist the Interstate Commerce Commission in regulating rates? Is it possible we are going to abolish this court without any more thought, without any committee having considered the legislation? Is it possible we are going to sandbag the court? It is not as decent as the recall, because the recall of the court, that device for the distortion of justice, is predicated at least upon the law giving the people the right to do that, but here the people as a force throughout the United States are demanding the retention of a central court that it may make effective the legislation of this country. And yet we sit here and blackjack this court. We refuse to pay the man who sweeps the floor of that court. We have not paid him since the 1st of July. We have held the court up to opprobrium. We say: "We will not let you try any case; and if you do not try your case, you are held up and crucified before the public and in the press of the country as favoring the carrier as against the shipper. We propose to sandbag you. We will blackjack you out of existence. We will abolish your court. We will put the court out of business. Your marshal goes out of business. We will close your office. You have not paid the rent even. You have not paid the rent since the 1st of July. We will cripple your office. You have not even paid the telephone girl in the office."

I say the recall of judges does not compare with the conduct of Congress toward this court. I know nothing of the men who compose it, but that court, in my judgment, has stood with dignity assaults which were not borne out by the facts. It has stood there with dignity issuing its decrees regardless of opinions but simply praying that opportunity might be given it for the shipper to step into that court some day and say: "I would like to have the right of injunction because the law of my case is at fault." Congress is responsible for the condition in the court. Congress is responsible for it, not the law. Congress is responsible for it in every way, and Congress will have to reckon with that when they have abolished the court, for if you abolish that court you shall create another one within 24 months. Before this Congress goes out you will have another court to replace this one giving the shipper a chance in that court, and I know whereof I speak. I have over 10,000 petitions in my office about it asking me to urge that this thing be done. They do not come from any particular section, but from everywhere.

Mr. BARKLEY. Will the gentleman now yield to my question?

Mr. BROUSSARD. Certainly; I beg the gentleman's pardon.

Mr. BARKLEY. Is the amendment of the gentleman so framed that if this Commerce Court should be abolished, in the interpretation of the law as given by the district courts the shipper will have the right to appeal whether the Commerce Court is continued or discontinued?

Mr. BROUSSARD. Yes; but let me illustrate it by saying this: If a man in Florida ships a package of vegetables to Fairbanks, Alaska—and they do so ship—all the railroads over which that package travels have the right to go into any court

that touches that railroad, so in that case the shipper would have to go to one particular court and the railroad might take him to Fairbanks in Alaska to try whether they have charged him 13 cents too much a package of vegetables going to Alaska. If a man in Louisiana ships a crate of strawberries to Nome, Alaska—which they do—and they beat him out of 2 cents a box on those strawberries, he will have to go to try his case at Nome to get his 2 cents. If a man in California ships a package of fruit to Boston—oranges, say—and the railroads refuse to accede to the Interstate Commerce Commission's order, they can go to Boston and get their case tried there. If the judge there will not grant the order, the railroad can go to Kansas City and get it, and drag a man from California, from Florida, from Louisiana, and so forth, to make good the deficit.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BROUSSARD. I wish I had an hour of time to discuss further this subject.

Mr. QUIN rose.

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. QUIN. I would like to get some time.

The CHAIRMAN. The time has been divided between the gentleman from Illinois [Mr. MANN] and the gentleman from Georgia [Mr. BARTLETT].

Mr. MANN. Mr. Chairman, I yield five minutes to the gentleman from Wisconsin [Mr. ESCH].

The CHAIRMAN. The gentleman from Wisconsin [Mr. ESCH] is recognized for five minutes.

Mr. ESCH. Mr. Chairman, when the proposition providing for the Commerce Court was before the Committee on Interstate and Foreign Commerce there were several arguments proposed upon which the committee based its action. Those arguments were these, in brief: By the establishment of a Commerce Court the disposition of cases arising out of the interstate-commerce act would be expedited; we would have a harmonious line of decisions rendered by an expert tribunal and at less expense than under the preceding system.

There is no question in my mind but that the establishment and maintenance of a Commerce Court begets uniformity of decisions, and uniformity of decisions begets stability in the law itself. Before the Commerce Court was established the decisions were made by the circuit judges throughout the United States, and there are some 30 of these. They sometimes differed as to the law upon the same state of facts, and the records show that in one State the circuit court would hand down a decision on a given state of facts and in the next State along the line of the same carrier another circuit court might hand down a different decision upon the same state of facts. Now, inasmuch as instability in decisions of courts undermines confidence in the law itself, when we have one tribunal to try all cases of the same kind we are sure of a uniformity of decisions.

Mr. FITZGERALD. Mr. Chairman, will the gentleman yield for a question?

Mr. ESCH. Yes; for a question.

Mr. FITZGERALD. Does not that objection exist to permitting circuit courts to exist at all? Is there not the same liability in other classes of cases?

Mr. ESCH. In some measure; but here we eliminate that lack of uniformity by having one court.

Again, the establishment and maintenance of a Commerce Court gives us a tribunal of experts in these interstate-commerce cases. There are district judges and judges of the court of appeals who really do not wish to try cases arising out of or connected with railroad rates, because of the highly technical character of this litigation. But with a Commerce Court, the men in it would soon become efficient judges.

It is true that under the law that exists the judges are to go to the circuit bench after a period of years' service on this tribunal, but after one year's absence therefrom they can be reappointed thereto.

Again, the Commerce Court is more economical to the litigant because it shortens the period in which the litigation is pending, and because the records of the Commerce Court, being here in Washington, are accessible and available in the event the case is appealed to the Supreme Court; and it is certainly more expeditious to have one court before which all actions can be brought and from which appeal can be had to the Supreme Court than to have litigation pending, as is now proposed, in the 86 district courts of the United States. From these districts an appeal is to be allowed to the Circuit Court of Appeals, and from thence to the Supreme Court.

The delay caused by these repeated appeals is almost ruinous to the average litigant. This Commerce Court saves the time of litigation and expedites the trial and hearings. There is no one charge against American judicature so well founded as the delay in the trial of causes. The Commerce Court gives us expedition in trials, and for these reasons I have always been a firm believer in the efficacy of the court, and I believe that it ought to be sustained. [Applause.]

Mr. BARTLETT. Mr. Chairman, I yield 10 minutes to the gentleman from Tennessee [Mr. SIMS].

The CHAIRMAN. The gentleman from Tennessee [Mr. SIMS] is recognized for 10 minutes.

Mr. SIMS. Mr. Chairman, before I begin, I ask permission to extend my remarks in the RECORD, because I can not hope to cover the subject in 10 minutes.

The CHAIRMAN. The gentleman from Tennessee [Mr. SIMS] asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. SIMS. Mr. Chairman, I want to reply very briefly to the argument of the gentleman who has just taken his seat [Mr. ESCH], to the effect that litigation is liable to be delayed if this amendment is adopted.

How many suits were brought in the last fiscal year from July 1, 1912, to July 1, 1913, in this court? Just 20. Only 20 suits brought, and you must have 5 judges to try 20 suits. That is only 4 cases to a judge. They talk about it being an economical court, when each of these judges gets $7,000 and $1,500 extra for being required to stay in Washington, where we Members have been all the summers for the past six years with no extra pay or allowances.

Gentlemen talk about the expediting of suits. Who brings these suits? Only the railroad companies. Whose suits do you want to expedite? The suit of a railway company, that is brought to nullify the orders of the Interstate Commerce Commission.

No one except a friend of the railroads wants to expedite the ruin of the work of the commission. When it used to be that a suit had to be brought by the commission in order to have an order of the commission executed, what railroad man or railroad lawyer was asking for expedition?

I drew up the provisions carried in this bill, not exactly in this form as to some details, and sent it to the Interstate Commerce Commission for remarks, and I read the letter of the commission in reply to the request:

INTERSTATE COMMERCE COMMISSION,
Washington, June 6, 1913.

Hon. T. W. SIMS,
House of Representatives, Washington.

DEAR SIR: In reply to yours of the 30th and referring to bill H. R. 5611, I am directed by the commission to say that the only suggestion which occurs to us in connection with this bill is that if it is to become law it would seem advisable to insert the words "and for other purposes" in the title of the bill, for the reason that, in addition to the purposes now stated in the title, the bill proposes material changes in the law, particularly with reference to the granting of preliminary injunctions and stay orders.

I might add that if the jurisdiction is to be transferred the provision that applications for restraining or stay orders shall be heard before three judges and upon due notice to the commission is highly commendable.

Yours, truly, E. E. CLARK, *Chairman.*

The legislation contained in this bill simply abolishes a court that ought never to have been created and vests the jurisdiction which it now exercises in the district courts of the United States. That is all of it, and that is all there ought to be of it. There ought not to be any attempt to enact substantive law in this bill. There ought not to be any attempt to have an increase or decrease of the powers of the commission, and there ought not to be any attempt to increase or decrease the jurisdiction of the district courts over that of the Commerce Court. The only reason why the district courts are designated instead of the circuit courts is that the circuit courts have been abolished since the Commerce Court was created.

Let me tell you what else the Commerce Court has done. You wanted an expert court. Why did you want it? The argument was that it would come nearer deciding a case right; that it would reduce the number of appeals to the Supreme Court. How has it been with the Commerce Court? Twelve cases that have been appealed from the Commerce Court to the Supreme Court of the United States have been decided by that court. In how many do you suppose the action of this expert court was approved and sustained? In 2 cases out of 12. The Supreme Court reversed the Commerce Court in 10 out of the 12 cases. Pray, my friend from Wisconsin, do you want any more expert courts? This court has been expert in error, expert in failing to understand and interpret the law, and the Supreme Court has reversed it in 10 out of 12 cases, and in 1 case in which it was sustained it was simply in the granting of a preliminary injunction. Ought any court to be fed and clothed that can not guess better than that? Show me the justice of the peace, show me the police judge, show me the most inferior court which is wrong in 10 out of 12 of its decisions.

They said, "Oh, this is going to be an economy." How long are you going to take to educate a court that is wrong 10 times out of 12? What are you going to do with all these questions that come up, if they have to go through this court that is wrong 5 times out of every 6 cases it tries? Talk about expedition. I will tell you what expedition this court is bringing about. It is expediting the ruin, annihilation, the destruction of the interstate-commerce law. [Applause.]

My friend Mr. BROUSSARD and my friend Mr. BORLAND are the gentlemen whom I expected to reply to. There is too much in this subject to undertake it in 10 minutes. They get up here and cry themselves hoarse in behalf of the shipper and want the shipper to have the same rights that the railroads have. Bless their souls, I will make them happy right now by telling them they have the same right that the railroads have. Show me where a railroad can go into any court under heaven to test the validity of what they call a negative order. Not one. What is a negative order? There is no such thing. It is a misnomer. There is no such thing as a negative order. The only kind of orders the commission can make are affirmative orders. The commission either directs a railroad to do something it has not been doing or to cease and desist from doing something it has been doing. Chief Justice White stated plainly and emphatically that if the Commerce Court had the power it claimed it had, the whole scheme and purpose of the interstate-commerce law would be in confusion and destroyed.

Why do they make an order against a railroad company? It is a public carrier. It is dealing with the public, and the public is dealing with it. Do you not see that the moment you go into court to test the question whether the commission ought to have acted or not you have substituted the judgment of the court for the judgment of the commission? A court can not legislate. A court can not make a rate for the future. That is an exercise of legislative power. A court could not, by mandamus or otherwise, order the commission to make a rate for the future.

The commission itself up to 1906 had no power to make a rate for the future. Remember that the Interstate Commerce Commission has no jurisdiction to act in any case until it fully passes upon the question of law that the existing rate is unreasonable. It has no jurisdiction to make another rate, it has no jurisdiction to make any kind of an order in the case, until it first determines that the rate attacked, the existing rate, is unreasonable. When it does this, then, and not until then, does it have the right under existing law to determine what rate shall be made to take the place of the condemned rate for the future.

Now, what would a court do with such a proposition? Talk about the shippers. Who receives the benefits of rebates and discriminations except favored shippers and favored localities? The law was made to prevent discrimination in favor of shippers. My friend from Louisiana [Mr. BROUSSARD] goes almost into hysterics over the rights of the shippers, over the wrongs to the shippers. We want to control the big shippers, the big towns, the big cities, the Standard Oil Co., the Steel Trust, and other great shippers. These are the people who get favors from the carriers; who call themselves shippers; who ask permission to do something, and when they fail to get permission to do it they want to come into the courts and have the courts do for them that which the commission would not do, under the disguise of acting on or passing on a so-called negative order of the commission.

Whenever you write into the interstate-commerce law the amendment offered by the gentleman from Louisiana [Mr. BROUSSARD], to give the court jurisdiction of the nonaction of the commission, you substitute for the judgment of this expert administrative board the court's judgment, and when this is done the law will not be worth a bawbee.

Mr. BORLAND. Will the gentleman yield?

Mr. SIMS. I will.

Mr. BORLAND. The gentleman realizes that it is a question of law.

Mr. SIMS. There can not be any case arise before the commission that does not involve a question of law. The question of whether or not an existing rate is unreasonable is a question of law. The question of whether the commission has jurisdiction is a question of law. So the right to appeal by a shipper from the action of the commission in saying it had no power to act, or that a rate is not unreasonable, is a question of law; and when you give the courts power to review negative orders, so called, on questions of law, you give them power to review every case that can possibly be brought before the commission.

Mr. Chairman, the Commerce Court assumed that it had the power sought to be given the courts by this proposed amendment to review so-called negative orders of the Interstate Commerce Commission in the Procter & Gamble Co. case. The Supreme Court, by unanimous decision in that case, held that the Commerce Court had no jurisdiction to pass on the validity of anything but the affirmative orders of the commission. Chief Justice White, in delivering the opinion of the Supreme Court, commented at length on the effect such jurisdiction in the courts would have on the whole scheme of Government regulation of railroads, and in order to make no mistake in stating what Chief Justice White said as to the effect of an exercise of such power, I quote as follows from the language of the Chief Justice in delivering the opinion of the court in the Procter & Gamble Co. case:

> We might well be content to rest our conclusion upon the considerations just stated. In view, however, of the importance of the subject we do not do so, but shall consider the matter in a broader aspect for the purpose of demonstrating that to give to the statute a meaning contrary to that which we have found results from its text, and therefore to recognize the existence in the court below of the power which it deemed it possessed would result in frustrating the legislative public policy which led to the adoption of the act to regulate commerce, would render impossible a resort to the remedies which the statute was enacted to afford, would multiply the evils which the act to regulate commerce was adopted to prevent, and thus bring about disaster by creating confusion and conflict where clearness and unity of action was contemplated.

Now, Mr. Chairman, language could not be clearer or more distinct than what I have just read in your hearing from the learned Chief Justice. So in his language if we give by legislation the power the Commerce Court deemed it possessed and exercised to review the so-called negative orders of the commission it will be impossible to resort to the remedies which the commerce law was enacted to afford and will multiply the evils which the act to regulate commerce was adopted to prevent and bring disaster by creating confusion and conflict where clearness and unity of action was contemplated. Is it possible to bring a stronger indictment against any court than is thus brought against the Commerce Court by the highest court of the land?

Further on in the same opinion Chief Justice White says:

> Originally the duty of the courts to determine whether an order of the commission should or not be enforced carried with it the obligation to consider both the facts and the law. But it had come to pass prior to the passage of the act creating the Commerce Court that in considering the subject of orders of the commission for the purpose of enforcing or restraining their enforcement, the courts were confined by statutory operation to determining whether there had been violations of the Constitution, a want of conformity to statutory authority, or of ascertaining whether power had been so arbitrarily exercised as virtually to transcend the authority conferred although it may be not technically doing so. Interstate Commerce Commission *v.* Union Pacific Railroad (222 U. S., 541, 547); Interstate Commerce Commission *v.* Illinois Central Railroad (215 U. S., 452). So also at the time the law creating the Commerce Court was passed, suits to compel obedience to orders of the commission or to restrain an enforcement of such orders were required to be brought in the circuit court of the United States in the district where a carrier or one of two or more carriers to whom the order was directed had its principal operating office.
>
> In view of the provisions of the act to regulate commerce just referred to as originally enacted, of the legislative evolution of that act, its uniform practical enforcement and the constant judicial interpretation which we have thus briefly indicated, it is impossible, we think, in reason, to give to the act creating the Commerce Court the meaning affixed to it by the court below, since to do so would be virtually to overthrow the entire system which had arisen from the adoption and enforcement of the act to regulate commerce.

Mr. Chairman, does it not seem to be a ridiculous contention on the part of anyone that this Commerce Court should be given one hour of additional life after the decision of the Supreme Court in the Procter & Gamble Co. case? To call such a tribunal an expert court is a misuse of the English language. It is seen that to give the act creating the Commerce Court the meaning affixed to it by that court would overthrow the entire system to regulate commerce. This court could lay no claim to being experts at anything unless it was in its power to destroy the law it was created to enforce.

But the seeming efforts of this court to destroy the acts of Congress to regulate commerce between the States did not stop with the Procter & Gamble Co. case. It will be recalled that prior to the act of June 18, 1910, the fourth section of the act of 1887, known as the long and short haul clause, provided in substance that no greater charge should be made for a shorter than for a longer haul under similar circumstances and conditions over the same road, the shorter being contained in the longer haul. This language, "similar circumstances and conditions," was so construed by the courts as to virtually destroy the intent and purpose of the fourth section. In the new act of 1910 the above language was eliminated. The new long and short haul clause or new fourth section reads as follows:

> SEC. 4 (as amended June 18, 1910). That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through route than the aggregate of the intermediate rates subject to the provisions of this act; but this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great compensation for a shorter

as for a longer distance: *Provided, however,* That upon application to the Interstate Commerce Commission such common carrier may in special cases, after investigation, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property; and the commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section: *Provided, further,* That no rates or charges lawfully existing at the time of the passage of this amendatory act shall be required to be changed by reason of the provisions of this section prior to the expiration of six months after the passage of this act, nor in any case where application shall have been filed before the commission, in accordance with the provisions of this section, until a determination of such application by the commission.

Whenever a carrier by railroad shall in competition with a water route or routes reduce the rates on the carriage of any species of freight to or from competitive points, it shall not be permitted to increase such rates unless after hearing by the Interstate Commerce Commission it shall be found that such proposed increase rests upon changed conditions other than the elimination of water competition.

The commission proceeded under this new fourth section to dispose of many thousands of applications filed by the railroads to be permitted to continue to charge less for a longer than for a shorter haul, under the provisions of this new section, and in doing so divided up the territory of the whole country into zones Nos. 1, 2, 3, 4, and 5, beginning on the Pacific coast, and permitted the carriers by rail to charge less for a longer than for a shorter haul in certain of the above-named zones, giving the differences in percentages. The railroads brought suit in the Commerce Court attacking the action of the commission. These suits are commonly called the intermountain rate cases. The Commerce Court held that the commission exceeded its powers, and that its orders were void. In the opinion of the Interstate Commerce Commission, the practical effect of the decision of the Commerce Court is to perpetuate the old system; that the amended act as to the long and short haul provisions is precisely to-day what it was before its amendment, to every practical intent. So we see that the Commerce Court, in utter disregard of the evident intent of Congress, has so construed the new fourth section of the act of June 18, 1910, as to render it nugatory. It is true that these cases were appealed to the Supreme Court, where they are now pending, but the decision of the Commerce Court shows how willing it is to solve every doubt in favor of the carriers, against the obvious intent and purpose of Congress. It shows a readiness to destroy the law by construction, rather than to give the acts of Congress a broad and liberal construction, such as any remedial statute ought to receive at the hands of any court.

Mr. Chairman, in the act of June 10, 1910, Congress undertook to place the pipe lines used by the great Standard Oil Co. and its subsidiaries under the control of the Interstate Commerce Commission. But when the commission undertook to exercise its authority thus conferred, or attempted to be conferred, the Commerce Court, in line with its course of destructive decisions, did not hesitate to hold the amendment conferring this power in the commission to be void, again giving the benefit of the doubt to the instruments of monopoly. It is true these cases are also pending in the Supreme Court on appeal, but the action of the Commerce Court shows its persistent leaning against a broad, liberal, and remedial construction of the acts of Congress in its efforts to furnish an effective but just regulation of interstate carriers.

Mr. Chairman, in drafting the provisions of the bill that have been incorporated in this appropriation bill I have only intended to abolish the court and vest the jurisdiction now vested in it in the district courts of the United States. There is no provision in the bill to abolish the tenure of the circuit judges assigned to duty in this court. They are simply circuit judges and can be assigned to duty in the several district courts of the country. I have thought it unwise to attempt to remove these judges from office and thus raise a constitutional question that might delay the passage of the bill or possibly meet with another veto. I hope those who want to remove the judges now assigned to duty in the Commerce Court will be willing to resort to a separate bill for that purpose and not incorporate it in this bill.

I have personally not the slightest ill feeling against any of these judges, and do not think that a just attempt to abolish a useless court ought to be attributed to a desire to remove certain judges from office. I would be as much in favor of abolishing this court as I am now if I was permitted to name every judge on its bench.

Mr. Chairman, I have seen a good deal in certain newspapers recently to the effect that the shippers were demanding the continuance of the Commerce Court. Of course, all those shippers who have been deprived of rebates and other unlawful advantages by the action of the Interstate Commerce Commission, like the tap-line railroads, who were held by the commission not to be common carriers as to their own products, are clamorous for the continuance of the Commerce Court as a handicap to the commission. But, Mr. Chairman, there are other shippers who do not seek rebates or resort to rebating devices who are very anxious for the abolition of this useless court.

I recently received a letter from the traffic man of one of the largest shippers in this country, giving his analysis of the work of the Commerce Court up to June 16, 1913, together with the cost and expenses incident to the court since its establishment and organization in February, 1911. I do not give his name, for the reason that in his letter transmitting these tables to me he closes it by saying:

If you use any of the figures or statements that I have sent you, it will not be necessary to refer to them as coming from me, as I am not sure how far the friends of this court would go in a follow up.

NEW YORK, N. Y., *June —, 1913.*

I inclose herewith some tables covering the work of the Commerce Court:

No. 1. Commerce Court work shows on an average nine decisions per year for the three-year period, at an approximate cost of maintaining the court to date of $225,000. At this time there is only one case open for trial and three cases waiting decision in this court. Organized to consist of five members for work of a little over two opinions per judge per year.

The remarkable thing is that practically all of the opinions have been appealed to the Supreme Court—the only ones not appealed were small reparation cases.

We could certainly trust the district judges with these cases (with the restrictions on issuing injunction as covered by House bill 5611), as they are capable of rendering opinions as sound as any that have come out of the Commerce Court to date.

Uniformity of decisions is asked by the friends of this court. The only uniformity up to the present time is that they are overruled by the higher court.

No. 2 shows the expenses of this court. In connection with this I refer you to the following House documents:

No. 311, Sixty-second Congress, second session; No. 1081, Sixty-second Congress, third session; and the following discussion in the CONGRESSIONAL RECORD on these expenditures: June 8, 1912, page 8304; June 11, 1912, page 8450; January 15, 1913, pages 1565 to 1569.

No. 3. Statement of expenditures for furnishings of the Commerce Court.

No. 4 shows yearly losses to shippers on account of injunctions issued by the Commerce Court against the orders of the Interstate Commerce Commission.

I would also refer you to the testimony taken in Judge Archbald's impeachment trials, CONGRESSIONAL RECORD, January 6, 1913, page 1048; January 7, 1913, pages 1121 to 1123; or Senate Document No. 1140, record of impeachment, pages 1264 to 1267, 1332 to 1337, showing how the court reversed itself, with the exception of Judge Mack, and came over to the views of Judge Archbald after the Bruce correspondence.

As in the other cases, the shippers were saved by the Supreme Court reversing this decision of the Commerce Court.

COMMERCE COURT WORK AS OF JUNE 20, 1913.

Court created June 18, 1910.

Period of review of litigation covers three years, as none of the circuit or district courts acted on cases before them after the Commerce Court was authorized, and the accumulated cases were transferred to this court on its organization, February 28, 1911.

Number of cases docketed, 94; number of cases dismissed without consideration, 34; number of decisions rendered 34, covering 48 docket numbers, leaving undisposed of 12.

Average number of decisions per year of litigation, 11.

Eliminating decisions rendered in cases not within the jurisdiction of this court, as held by the Supreme Court, makes average per year 9; number of decisions appealed to Supreme Court 22, covering 35 docket numbers; decisions sustained by Supreme Court, 2; decisions overruled by Supreme Court, 10.

Commerce Court expenses.

	5 months to June 30, 1911.	Year ending June 30, 1912.	Year ending June 30, 1913.	Year ending June 30, 1914.
Special allowances to judges	$3,187.50	$7,500.00	.....	.....
Traveling expenses judges, Commerce Court work	353.20	744.95	.....	.....
Salaries, clerks	2,269.34	9,407.47	.....	.....
Traveling expenses, employees	127.45	354.00	.....	.....
Rent	2,140.00	10,547.50	.....	.....
Books	1,631.10	991.20	.....	.....
Supplies	1,309.93	2,883.87	.....	.....
Printing	832.85	2,736.77	.....	.....
Stenographers' services	976.55	575.37	.....	.....
Blue prints and maps	100.00	200.00	.....	.....
	12,927.92	35,941.13	.....	.....
Furniture	18,115.82	14,458.67	.....	.....
	31,043.74	50,399.80	.....	.....
Salaries	4,745.86	12,000.00	.....	.....
Salaries, judges	14,875.00	35,000.00	.....	.....
	50,664.60	97,399.80	.....	.....
Appropriations requested	39,750.00	94,500.00	$74,500.00	$54,500.00
Judges' salaries	17,500.00	35,000.00	35,000.00	35,000.00
	57,250.00	129,500.00	109,500.00	89,500.00
Appropriations	39,750.00	94,500.00	42,022.22	.....
Judges' salaries	17,500.00	35,000.00	35,000.00	35,000.00
Total	57,250.00	129,500.00	77,022.22	35,000.00

Compiled from appropriations, acts 1911.
Urgent deficiencies 1911, approved Dec. 23, 1910.
Appropriations, acts 1912.
Appropriations, acts 1913.
Annual Report Attorney General 1911, p. 280.
Annual Report Attorney General 1912, p. 255.
House Document, Sixty-second Congress, second session, No. 311; third session, No. 1081.

Furnishings for the Commerce Court.

(See H. Docs. Nos. 311 and 1081, 62d Cong.)

Furniture, $18,115.82 in 1911 and $14,458.67 in 1912.
Some of the new items appearing in 1912 report:

Fitting pasteboard pipes in drapery	$150.00
Slip covers for 55 window draperies and 7 court screens	145.00
13 mahogany and silk sliding window shades	122.00
Altering 5 judges' court-room chairs (original cost $945)	425.00
72 feet mahogany bookcase	1,404.00
1 leather davenport	175.00
Models for carved work	160.00
5 judges' court-room chairs	690.00
3 plate-glass tops for desks	57.00
7 leather pillows	70.00
CHAIRS FOR THE COMMERCE COURT.	
5 swivel chairs, $61.25 each	306.25
6 swivel chairs, $28.75 each	172.50
25 armchairs, $58.75 each	1,468.75
35 armchairs, $26 each	910.00
12 armchairs, $23.50 each	282.00
7 davenports, $175 each	1,225.00
6 chairs, $90 each	540.00
10 court-room chairs, $52 each	520.00
5 chairs, altering, new leather	425.00
8 armchairs	192.00
5 armchairs	60.00
18 armchairs	270.00
3 revolving chairs	80.25
1 swivel chair	38.00
1 easy-chair	90.00
1 davenport	175.00
5 judges' chairs	690.00
2 armchairs	52.00
1 revolving chair	11.25
2 side chairs	19.00
6 revolving chairs	76.50
2 wood chairs	12.00
1 swivel chair	28.75
7 leather pillows	70.00
2 revolving chairs	25.50
1 judges' bench	1,055.00
6 benches, $159 each	945.00
Total	9,639.75

Yearly loss to shippers due to injunctions issued by the Commerce Court.

Docket No. 1, California switching	$110,705
Docket No. 2, California switching	144,430
Docket No. 4, New Orleans class rates	260,000
Docket No. 7, California lemons	225,000
Docket No. 41, precooling California fruit	600,000
Dockets Nos. 50 and 51, long and short haul clause	3,000,000
Docket No. 58, Florida vegetables	100,000
Total	4,440,135

Docket No. 38, lighterage allowances to Sugar Trust denied independent plants,

Dockets Nos. 46 and 47, grain transit Nashville denied Atlanta and other Southern cities,

These amounts are taken from carriers' statements in briefs and arguments before the court.

Mr. BARTLETT. Mr. Chairman, how does the time stand?

The CHAIRMAN. The gentleman from Georgia has 24 minutes remaining and the gentleman from Illinois 15 minutes.

Mr. BARTLETT. I ask that the gentleman from Illinois use some of his time.

Mr. MANN. I will yield five minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Chairman, I think it is a very conservative statement that any action of legislation taken in a spirit of pique, in a spirit of prejudice, in a spirit of reprisal, is likely to be an unwise act. Gentlemen propose to abolish the Commerce Court because they do not like some of its decisions. They entirely lose sight of the fact that the court was established for the benefit of the shippers of this country; they entirely lose sight of the fact that the establishment of the court has not only greatly expedited the action upon cases, but that it tends to uniformity of decision, and therefore, in the long run, to the settlement of a vast number of cases without appeal and upon the order of the Interstate Commerce decision instanter. But the gentlemen are piqued, the gentlemen are prejudiced, the gentlemen, in a spirit of reprisal, want to dispense with the court because that court in its judgment did not always decide just as they think it ought to have decided. The court did make some mistakes, no doubt. The highest tribunal in the land has said that it made mistakes and has by its decisions established a guide for this court for the future, so that the court could not make these same mistakes again, at least.

Who knows but that among the district courts of the country infinitely more and more grievous mistakes might have been made if these cases had gone to the district courts instead of going to the Court of Commerce? The court was established for the purpose of expediting cases, for the benefit of shippers, for the purpose of securing speedy and uniform decisions which were appealable to the highest court of the land which, by its decision, finally settled these cases. We make a grievous mistake when we deprive the people of this machinery, simply because the personnel of the court as first established did not exactly suit everyone, simply because the court in some of its first decisions erred. We make a mistake when, by reprisal, we attempt to deprive these gentlemen of their offices and recall their decisions by legislation. My opinion is there is not a gentleman here present who votes for this decision to-day who will not live to rue it and who will not live to find his constituents demanding of him that he remedy the error and again provide for the establishment of a tribunal of this sort before which all cases arising under the interstate-commerce law shall be brought.

I yield back the balance of my time.

Mr. BARTLETT. Mr. Chairman, I yield five minutes to the gentleman from Indiana [Mr. CULLOP].

Mr. CULLOP. Mr. Chairman, I send the following amendment to the desk and ask to have it pending.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 21, line 19, amend by striking out the words "some or all of," after the word "where," and in line 20, after the word "has," the word "either," and after the words "its origin," "or destination."

Mr. CULLOP. If the amendment I have just offered be adopted, Mr. Chairman, it will read then:

Shall be in the judicial district where the transportation covered by the order has its origin.

I offer that amendment fixing the jurisdiction of the beginning of the process to meet an objection that was made to this provision by the gentleman from Louisiana [Mr. BROUSSARD]. I do not believe that this section ought to be left open to the extensive jurisdiction in the filing of a suit to which the attention of the committee has been called by the gentleman from Louisiana and as the provision now, in my judgment, authorizes. I think this amendment on the question of jurisdiction of the beginning of suits ought to be adopted. It makes certain that which as now contained in the bill is uncertain.

As to the amendment of the gentleman from Georgia [Mr. BARTLETT], I am opposed to that for the reason that I think it is directly infringing upon a constitutional provision. Section 1 of Article III of the Constitution reads as follows:

The judicial power of the United States shall be vested in one Supreme Court and in such inferior courts as the Congress may from time to time ordain and establish. The judges, both of the Supreme and inferior courts, shall hold their offices during good behavior, and shall at stated times receive for their services a compensation, which shall not be diminished during their continuance in office.

If the gentleman's amendment as now proposed should be adopted, it would be in direct conflict with that provision of the Constitution. The Congress can not legislate a judge in office out of office. It may abolish his office after he has resigned, if he ever does resign, or after he has been removed, if he is ever removed, or after his death, but you can not, while he is holding office and that constitutional provision stands, abolish the office and turn him out of office.

Mr. Chairman, it matters not how much we may desire to wipe out of existence every vestige of the Commerce Court, every memory associated with it, yet if a constitutional barrier is interposed, we are estopped. The constitutional provision I have read stands squarely between Congress and legislating these five circuit judges out of office. We may abolish the court, and of that legislation I am in favor, but we can not abolish the offices of the judges who hold that court while these judges are in office. This constitutional provision is wise. It was written into our Constitution as a cautionary measure—to curb inconsiderate action by Congress against the Federal judiciary; to prevent hasty and passionate action.

Its adoption would constitute a dangerous precedent, one that doubtless some day might rise to vex and harass Congress and humiliate the judiciary, and could be used as an instrument of coercion. This we would all deplore. Above all things, the judiciary should be preserved from dangers of this kind.

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

Mr. CULLOP. Not now. He is a circuit judge. His office was named as such. He was appointed as a circuit judge, not as a judge of the Commerce Court. He was appointed as one of the circuit judges of the United States. His jurisdiction was defined, the same as the jurisdiction of other circuit judges, and he was only designated by the President, as the law provides, creating the Commerce Court, to hold the Commerce Court, and for a specified time. They are to be rotated in office, but the judges are of the circuit bench, and belong to the class of circuit judges of the United States; and if this amendment be passed, it would be absolutely invalid, because it conflicts with that provision of the Constitution. I hope for that reason it will not be passed.

Mr. BARTLETT. Is that the only objection the gentleman has to it?

Mr. CULLOP. That is the best reason I have.

Mr. BARTLETT. Is that the only one?

Mr. CULLOP. No; I have another reason, that before these men would pass out of office, if they lived the usual time, with the congested condition of some of the court dockets that is complained of here, there would be a necessity for creating that many or more. There is work for them to do, and I am reliably informed they can be utilized and perform a much-needed service to the country. It is reliably asserted that dockets in various parts of the country are congested, and courts are behind with their work. If this be true, then these judges should be designated to assist in that work in order that all such dockets may be cleared and the work dispatched. Here is a work for them to perform, and in doing it they will render a valuable service to the country.

To-day, according to reports we hear from Pennsylvania, there is a demand for one of these judges to be sent to hold a court in Philadelphia, and he ought to be designated for that purpose. Now, I think the Commerce Court ought to be abolished. I was opposed to it when it was instituted. I opposed the enactment of the law creating it. It is taking the litigation before it too far away from the litigant. So the shipper institutes this litigation thousands of miles away from the city of Washington. He is compelled to come here to try his case, and thereby expenses are increased, so that in many cases it works a denial of justice and enables the transportation companies to impose on the shipping public. I never believed its purpose was really to help the shipper, and I think experience has demonstrated that in this respect I was right. The district courts should hear and determine the cases now tried by it, with the right of appeal granted the aggrieved party. This method would better serve the purpose for which it was created.

Mr. MANN. I yield five minutes to my colleague from Illinois [Mr. MADDEN].

Mr. MADDEN. Mr. Chairman, it is not fair to say the shippers of the country are not in favor of the continuation of this court. This is really the shippers' court. Up to the time of the organization of this court the shippers all over the United States found difficulty in having differences between themselves and the railroads adjudicated. It is said that only 20 cases have been started since the establishment of this court. Well, do you wonder that is so in the face of the fact that the Democratic Congresses have embarrassed the court in every way in their power ever since the Democratic Congresses came into power? For, in the first place, they refused to make appropriations to continue the work of the court. There is no doubt whatever but that a court of experts dealing with the propositions with which they are familiar are better qualified to decide those questions than men who have had no experience on the subject, and the purpose of the organization of this court was to educate a set of judges who would become expert in the matter of interstate-commerce law and who would be familiar with the conditions under which disputes between shippers and carriers arose, and the shippers all over the United States pleaded very urgently for the establishment of this court, and they still continue to plead for its continuation.

There is no justification for the abolishment of the court. There ought not to be any disposition on the part of the Congress not to continue the appropriations needed to make the court as efficient as it would be if they had the facilities with which to continue the business for which the court was created, and the shippers of the Nation do not want to go back to the old familiar practice of having their cases tried here, there, and everywhere. They want the records of disputes between the railroads and the shippers to be in some central place, and they want precedents established by means of which their cases can be conducted along lines of a well-fixed policy. And so I say that I hope this House will not agree to the recommendations made by the Committee on Appropriations, the members of which continue to pare down the appropriations to a point where the business of the Nation can not be efficiently conducted except in cases where they might add to the political prestige of the party to which they belong. There ought not to be any such practice indulged in as this committee has indulged in in a case of this importance. They ought to remember the interests of the great communities of the Nation and they ought to do everything in their power to facilitate the settlement of the disputes between those shippers and the great carriers of the country. [Applause.]

I yield back the balance of my time.

Mr. ADAMSON. How much time remains to the gentleman from New York?

The CHAIRMAN. Nineteen minutes.

Mr. BARTLETT. I yield four minutes to the gentleman from Pennsylvania [Mr. KELLY].

Mr. KELLY of Pennsylvania. Mr. Chairman, the Interstate Commerce Commission to my mind is an agency of Congress to represent the people. We have heard a great deal from the gentleman from Louisiana [Mr. BROUSSARD] regarding the rights of the shippers and the protection of the rights of the shippers by the Commerce Court; but the idea in the creation of the Interstate Commerce Commission was that of protecting all the people against the encroachment of both the railroads and the shippers.

By the term "people" I mean not simply the collection of individuals living in this Nation, but a political entity, conscious of its own existence and able to express its will through laws. This body of the citizenship protects itself against the rapacious few who through violence or subtlety would secure and maintain advantages for themselves at the expense of the rest.

The argument of the gentleman from Louisiana [Mr. BROUSSARD] that the shippers make up the "people" is not true. The fact is that the Interstate Commerce Commission bears the responsibility of protecting the whole people against injustice, whether it be injustice on the part of the railroad companies or the shippers. A man may be a part of the sovereign people and yet in his business capacity be an enemy of the people and their best interests.

There may be those who violate the laws while forming a part of the citizenship of this country, but they are not a part of the political entity which unites in upholding the laws and makes their enforcement possible. In acknowledgment of that the encroachments of the shippers as well as of the railroads were regarded in the creation of the Interstate Commerce Commission.

I favor the abolishment of this Commerce Court and uphold this provision of the bill, because the Commerce Court steps in between the litigants and this agency, representing the people, and distorts the issue and complicates the situation unnecessarily. The situation has become such that it is necessary to strip away some of the jungle and underbrush of technicality, so that the will of the people can be carried out promptly and efficiently. This underbrush must not be used to delay justice and, in fact, create a denial of justice.

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

The CHAIRMAN. Does the gentleman from Pennsylvania yield to the gentleman from Louisiana?

Mr. KELLY of Pennsylvania. I do.

Mr. BROUSSARD. Is it not a fact that it took more than 24 months for the two most important cases that this country has ever known, emanating from the Interstate Commerce Commission by injunction from the railroads, to be decided so that the decisions were futile and meant nothing to the shippers of the country? Does not the gentleman believe that we ought to return to a system where the important questions wherein the shippers of the country have rights should get back to the commission that we created?

Mr. KELLY of Pennsylvania. I say the people of the country want full justice to the shippers, but they also want to strip away some of these useless obstructions of justice to the whole people.

Mr. BROUSSARD. Then, why not do away with the courts entirely?

Mr. KELLY of Pennsylvania. I have but a moment. I decline further to yield.

The CHAIRMAN. The gentleman from Pennsylvania declines to yield.

Mr. KELLY of Pennsylvania. I want to say, Mr. Chairman, that the people of this country demand that the Interstate Commerce Commission be given full power in dealing with interstate commerce. The people have confidence in that tribunal, and they demand that the power which comes from the people shall be exerted for the people's interests.

I favor the amendment that has been proposed by the gentleman from Georgia [Mr. BARTLETT]. While we are abolishing the Commerce Court, let us abolish the offices which were created at the same time. If the creation of these judgships was a mistake, their continuance now will be equally a mistake. I believe that a great deal of the distrust and complaint which is prevalent throughout the country in regard to the courts is due to the fact that they have usurped sovereign power and rest secure in that usurpation because the possibility of prevention is very slight.

I would refer the Democrats of this House to their patron saint, Thomas Jefferson, when he discussed the judiciary bodies, which were supposed to be the most helpless and harmless members of the Government, but which have become the most powerful.

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

Mr. KELLY of Pennsylvania. Mr. Chairman, I ask unanimous consent to extend in the RECORD a paragraph from Jefferson's remarks.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. KELLY] asks unanimous consent to extend his remarks in the RECORD by inserting the statement he indicates. Is there objection?

There was no objection.

Following is the extract referred to:

The judiciary is the subtle corps of sappers and miners, constantly working underground to undermine the foundations of our confederated fabric. * * * Having found from experience that impeachment is an impracticable thing, a mere scarecrow, they consider themselves secure. They skulk from responsibility to public opinion, the only remaining hold on them, under a practice introduced into England by Lord Mansfield.

An opinion is huddled up in conclave, perhaps by a majority of one, delivered as if unanimous—and with the silent acquiescence of lazy or timid associates—by a crafty chief judge, who sophisticates the law to his mind by the turn of his own reasoning. * * * A judiciary independent of a king or an executive alone is a good thing, but independence of the will of the people is a solecism in a republican government. * * *

The judiciary bodies were supposed to be the most helpless and harmless members of the Government. Experience soon showed, however, in what way they were to become the most dangerous; that the insufficiency of the means provided for their removal gave them a free hold and irresponsibility in office; that their decisions, seeming to concern individual suitors only, pass silent and unheeded by the public at large; that these decisions nevertheless become law by precedent, sapping by little and little the foundations of the Constitution and working its change by construction before anyone has perceived that that invisible and helpless worm has been busily employed in consuming its substance.

Mr. BARTLETT. Mr. Chairman, we have got one more speech on this side.

Mr. MANN. And only one more on this side.

Mr. BARTLETT. I wish the gentleman from Illinois would use his time.

Mr. MANN. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. Seven minutes.

Mr. MANN. Mr. Chairman, some years ago William Randolph Hearst, then a Member of the House, introduced a bill creating a court of transportation. I believe that was the first time it had been proposed to have a court located in Washington, although as far back as 1893 the organizations of shippers had asked for the creation of a special court of commerce in each of the judicial districts.

The court of transportation proposed by the Hearst bill was not favorably reported upon, and in 1905 Mr. TOWNSEND, now Senator TOWNSEND, then a Member of the House, introduced a bill providing for a court of transportation. That bill was merged in what was known as the Esch-Townsend bill, introduced by Mr. TOWNSEND a few days later, in January, 1905, and that was the bill upon which President Roosevelt made his determined effort to have legislation.

It is very peculiar that the gentlemen now following that distinguished President are all in favor of abolishing the court, which really received its impetus from the Esch-Townsend bill, so strenuously advocated by President Roosevelt. It is true that in the last campaign President Roosevelt took occasion to say that the Commerce Court ought to be abolished. Probably he had forgotten that his campaign in favor of amending the interstate-commerce law was based primarily upon a court of transportation, which is exactly the same thing as is covered by the Commerce Court. It was to a large extent the advocacy of that measure by President Roosevelt which led President Taft to have incorporated in the administration bill when he came into power the provision for a Commerce Court.

I am frank to say that I never was enthusiastically in favor of creating the Commerce Court. The original court of transportation, which President Roosevelt so urgently insisted upon, did not seem to me very desirable, and I was denounced by many gentlemen because I did not favor that bill at that time. Most of those gentlemen are now in the Progressive Party, denouncing the Commerce Court.

Mr. Chairman, the Commerce Court was finally provided for. It has not yet been fairly tested. I do not know whether it is desirable in the long run to maintain special courts in Washington, such as the Customs Court, the Commerce Court, the proposed patent court, or other special courts, to be presided over by judges who become experts in the line of work demanded by the courts. I have sometimes thought it was better to let judges who were more familiar with the ordinary litigation decide that which was expert. But we have not yet tested the Commerce Court. Because Congress has changed its political complexion, because the exigencies of a campaign led President Roosevelt to denounce the court for whose creation he was more responsible than anyone else in the land, we have come to the point where both the Democracy and the Progressive Party propose to abolish this court without a reasonable test. The shippers of the country generally were and are in favor of the Commerce Court, believing that the work can be expedited, that the hearings will not be so long delayed, that the decisions will come quicker through a court located here, presided over by the same judges. It has been said by the gentleman from Tennessee [Mr. SIMS] that there were only 20 cases before the Commerce Court last year, and therefore that the court had only 4 cases to adjust. That is hardly as fair a statement as the gentleman from Tennessee usually makes; because under the law these judges are assigned to any circuit in the United States where the Chief Justice may deem it proper to send them. One of them has been holding court in Richmond; one of them has been holding court in New Mexico. There being only four of them now, they have all been holding court in different parts of the country, and they have done the full amount of work which can be asked of any judge in any of the circuits. They have not been loafing in Washington. They have been doing the work which they can properly do in those circuits and districts where additional work is required. I fear it is a mistake to abolish the court without making the test now, because, in my judgment, if the court is abolished now there will be that delay in the decision of cases which will require the shippers of the country to demand additional legislation to test the same court over again.

These cases have been long delayed. We have enacted legislation time after time, giving preference in the Supreme Court to every phase of interstate-commerce litigation arising out of the act to regulate commerce. We have repeatedly provided that cases arising out of this act shall, upon the request of the parties in interest, have preference in the Supreme Court, and notwithstanding all this, notwithstanding the provision by which these cases were expedited in the lower court and were expedited in the Supreme Court, the cases were long delayed until the Commerce Court was created, and the decisions were seldom made until after their application had expired. These orders of the Interstate Commerce Commission are only good for two years, and in nearly every case which was decided by the courts under the old system the order of the court came after the expiration of the two years.

The CHAIRMAN. The time of the gentleman from Illinois has expired. The gentleman from Georgia [Mr. BARTLETT] has 16 minutes remaining.

Mr. BARTLETT. I yield one minute to the gentleman from Mississippi [Mr. SISSON].

Mr. SISSON. Mr. Chairman, I will not take the minute allotted to me, but simply want to state that being on the subcommittee that prepared this bill I agree with the gentleman from Georgia [Mr. BARTLETT] in his conclusion in reference to the law, and in reference to the right of Congress not only to abolish the court, but to abolish the judges. The gentleman from Georgia and I reserved the right to offer this amendment in the House. Being a member of the committee, I have thought it proper to make this explanation.

Mr. BARTLETT. I yield the balance of my time to my colleague from Georgia [Mr. ADAMSON].

The CHAIRMAN. The gentleman from Georgia [Mr. ADAMSON] is recognized for 15 minutes.

Mr. ADAMSON. Mr. Chairman, when I was a very young man I was advised by an old friend of mine, "Never throw dollars back over your shoulder." I thought he was talking in a foolish way, and asked him what he meant. He said, "If you have any dollars to throw away, or imagine you have, throw them in front of you, so you will not have to lose time in going back to pick them up in case you find you need them." He explained the moral of that to me, and it has been percolating into my head ever since. It is that every time you make a mistake you must take the time and trouble to go back and correct that mistake.

The creation of this Commerce Court was a great mistake made by Congress.

That mistake was caused by the absence of our colleagues at a baseball game. Two or three times efforts to eliminate the court failed on a tie vote. A newspaper in the district I represent, noticing that some Members were dragged away from the baseball park to make a quorum in the House, remarked that—

It served them right. They ought to have had more sense than to try to hold a session of Congress during the baseball season.

At the first opportunity we introduced a bill to abolish the court. That was vetoed by the late President. I think we

have a President in the White House now who will sign the bill when it reaches him, and therefore I am anxious to pass a bill abolishing the court. I wish to say to you, gentlemen, that the distinguished gentleman from Illinois [Mr. MANN], who for so long was a member of our committee, a long time its distinguished chairman, has always been moderate, industrious, and fair, and his talk just now indicated his line of conduct all the time on that committee.

It is true as he said—and I am not allowed to state what occurred in committee every time; if so, I could give you some interesting statements about some of these bills for the Commerce Court. Suffice it to say that when this administration bill was finally introduced, no man has ever stated positively or has been able to state how it was inspired, who imposed on the President, who has been described as a great big fat man entirely surrounded by men who knew what they wanted. It was bifurcated, and one leg got into the House and one leg just like it into the Senate, and both Houses went to work upon it at once. Without violating any confidence, I desire to say that the gentleman from Illinois and other able Republicans cooperated with Democrats and managed to abstract and eliminate from the bill many iniquitous features and incorporate some good ones. It came into the House in such a shape that its own mother would not have known it, and then, with such help as we could get to eliminate the bad things, we fused with the other branch of the Republican Party and worked out all of the other bad features except the Commerce Court. We must now correct the mistake of leaving that in the bill, and that is the object of this meeting. [Laughter.]

Mr. MANN. Will the gentleman yield?

Mr. ADAMSON. I will yield for a question, but I will say to the gentleman from Illinois that while I am always ready from the beginning to the end to answer any question, I prefer to wait until I get through and then let him cross-examine me.

Mr. MANN. That will be too late. The gentleman has always been opposed to the creation of a special court, has he?

Mr. ADAMSON. Yes.

Mr. MANN. Did the gentleman vote for the Esch-Townsend bill creating a special court?

Mr. ADAMSON. I guess I did finally after I did the best I could to secure something better and failed.

Mr. MANN. The Esch-Townsend bill?

Mr. ADAMSON. I was never for that bill. In the Republican House it was the best we could secure in the way of regulation. We could not afford to vote against conferring the power to make rates.

Mr. MANN. But the gentleman did finally vote for it?

Mr. ADAMSON. I think I did; but I never did vote for the last administration bill, although we worked on it and improved it in committee, and when it came into the House there was still too much of iniquity in it to commend it to my support and consideration. What good things there were in it we put in and were contrary to the wishes of those who inspired its introduction. I know that the gentleman from Illinois did not inspire it, but the transmogrification he helped us make of it trimmed it and helped it mightily. It changed the sponsorship of it, and he brought it in instead of the author who introduced it. The purpose of that bill, I believe, was to emasculate the Interstate Commerce Commission. The first thing the Commerce Court did was to assume and usurp jurisdiction unconstitutional and never intended, designed, or desired by Congress. Then the friends and relatives of that court began to take great interest in it and said that the shippers were being outraged. My God, if it had not been for the shippers there would have been no Interstate Commerce Commission. There never would have been a case before the commission. Let me give you briefly the theory on which this regulation proceeds. Congress has the right to legislate and make rates by legislative act. Some things the commission does as an administrative body, as an executive, just as the President does. The carriers are public officials just as much as you are. They call them quasi, but the duties are not quasi; the duties are entirely solid and whole.

We have a right in the interest of the people, by whose grace these carriers were chartered and do business and take charge of us and jeopardize our lives and property and charge us for it, to regulate them by law. How would you do it? Would Congress sit here and regulate every rate? No. That would take forever. We would be here every summer, every winter, every autumn, until Gabriel blew his horn. The President could not administer all of these things without appointing some agency. We may just as well constitute an agency to administer while creating a commission to legislate. Then we provided that this commission should receive complaints from shippers who thought the railroads were not giving them fair rates. The shipper went in there and the railroad was cited; and if the commission thought it was a case to act it acted, just as Congress would do in passing a bill. It was a public instrumentality delegated by Congress to legislate rates for a public servant. If the commission acted, the railroad company was then affected. If its property was confiscated, if the commission had no constitutional authority to pass the order, the railroad had a right to hale it into court and attack the validity of it, just as you can attack the validity of anything unconstitutionally affecting your rights anywhere in any court, and no act of Congress can deprive you or the railroad of the constitutional right. The proposition now is to change the entire character of that commission and destroy the system of regulation. The commission is not a court at all. It is a legislative body to make rates. It is an administrative body to execute some things that are determined upon and intrusted to it. If Congress refuses to pass a bill, your remedy is to introduce another bill. You can not substitute the conscience of a court for the Congress if Congress fails to act; neither can you carry up the refusal of a commission acting for Congress in that way to act where there is no cause shown. That is the shipper's case, but he can file a new complaint. If the railroad is injured, it takes steps to attack the order of the commission.

The gentleman says the shipper must have his day in court. He has had his day in court up to that time, and if he has not gotten all that he wants all he has to do is to file another application and make a better case. [Applause.] That is all there is to that. They say, Take up the case. Are you going to substitute another commission? Are you going to do the foolish thing of saying a court can make a rate when the commission has refused to make a rate? That is nonsense. You may just as well try to take to the courts the refusal of Congress to pass a bill, and you may just as well take to the court the refusal of the President to pardon a criminal, if the commission is acting in its administrative capacity. If under the Constitution you should provide to substitute the judgment of a court, you would overturn the entire character of the scheme, and you would make a court out of a commission and have two authorities to make rates instead of one, which would be ridiculous, if not unconstitutional.

Let me tell you where the gentlemen got their hallucination about shippers. We have been working on this question ever since 1887. The first bill was passed at that time. Brother MANN and I went on the committee at the same time, 17 years ago. This identical proposition has been urged every time there has been a revision of the commerce laws. The gentleman from Illinois [Mr. MANN] I am sure agrees with me in my views of the functions and powers and purposes of the commission. Time after time when we revised the commerce law we refused to do this thing because it would have been subversive of the very character and purpose of the Commerce Commission. Let me tell you how this trouble arose and at the same time explain to you how the statement "the shippers are complaining" can be true and the only way it can be true, for the only persons complaining are those mentioned in two paragraphs of the commerce law, the first of which is as follows and which we put in as the last paragraph of section 1 on the demand of the industrial enterprises throughout the country, who desired legislative coercion to make the railroads facilitate shipping the products of their plants and receiving their supplies.

The following is the paragraph:

> Any common carrier subject to the provisions of this act, upon application of any lateral, branch line of railroad, or of any shipper tendering interstate traffic for transportation, shall construct, maintain, and operate upon reasonable terms a switch connection with any such lateral, branch line of railroad, or private sidetrack which may be constructed to connect with its railroad, where such connection is reasonably practicable and can be put in with safety and will furnish sufficient business to justify the construction and maintenance of the same; and shall furnish cars for the movement of such traffic to the best of its ability without discrimination in favor of or against any such shipper. If any common carrier shall fail to install and operate any such switch or connection as aforesaid, on application therefor in writing by any shipper or owner of such lateral, branch line of railroad, such shipper or owner of such lateral, branch line of railroad may make complaint to the commission, as provided in section 13 of this act, and the commission shall hear and investigate the same and shall determine as to the safety and practicability thereof and justification and reasonable compensation therefor, and the commission may make an order, as provided in section 15 of this act, directing the common carrier to comply with the provisions of this section in accordance with such order, and such order shall be enforced as hereinafter provided for the enforcement of all other orders by the commission, other than orders for the payment of money.

Having secured that provision compelling the railroads to connect with their track, run on their switches, to load and unload, and taking and delivering their cars, these several thousand industrial enterprises, now referred to as shippers, and referred to in the act as shippers, decided that they wanted some remuneration for contributing to the transportation,

Their tracks were used, sometimes their cars were used. In other ways they substantially contributed to the transportation of their commodities. They then requested, and at their demand we enacted, the following provision for their benefit:

If the owner of property transported under this act directly or indirectly renders any service connected with such transportation, or furnishes any instrumentality used therein, the charge and allowance therefor shall be no more than is just and reasonable, and the commission may, after hearing on a complaint or on its own initiative, determine what is a reasonable charge as the maximum to be paid by the carrier or carriers for the services so rendered or for the use of the instrumentality so furnished, and fix the same by appropriate order, which order shall have the same force and effect and be enforced in like manner as the orders above provided for under this section.

It will be observed that in this provision they are referred to as "owners of the property," but nevertheless they are recognized as the shippers of that property. These shippers, being sugar mills, lumbering mills, coal mines, brickyards, wholesale stores, and every conceivable enterprise, having forced the railroads to make physical connections and having gotten in the habit of being paid for all contributions to transportation, became quite cocky and bumptious and concluded they would claim to be common carriers and insist on participating with the through carriers in through routes and joint rates. The Interstate Commerce Commission failing to see the matter in that light overruled their contention, holding that they were not common carriers subject to the act to regulate commerce. In the Procter & Gamble case the Supreme Court set out at length our whole theory and purpose and practice in our efforts to regulate commerce just exactly as I have stated it here to you to-day, justifying the action of the Commerce Commission. That is all there is to it.

Mr. MANN. Will the gentleman yield?

Mr.. ADAMSON. Yes, sir.

Mr. MANN. Is it a fact if they had this right they would get for themselves a lower rate than a competitor who did not happen to have a sidetrack?

Mr. ADAMSON. I think the great objection the commission always found to it was that they used it for rebates.

Mr. BORLAND. Did not the Tap Line cases finally get into court?

Mr. ADAMSON. Yes; by usurpation of authority by a court that was created for the purpose of destroying the Commerce Commission and after getting it decided that the Commerce Commission was right. The Supreme Court went further and decided that, while they did stumble along and decide the merits of the case right, they were guilty of usurpation and taking jurisdiction of something they had no business with, and turned the tap lines out of court. Now, as to the operations of the court. I have never stated, and I do not care, how many cases they have decided right or wrong. I say they have no business with them. The court is taking away business from the Federal courts, and to that extent relieving them from doing anything, and none of the Federal judges are worked to death. I have never heard of one being buried from overwork, never. [Applause.] I will tell you as to this talk about uniformity. We have every kind of a case on earth in all the States, including all questions. The common head is the Supreme Court of the United States, and that is the final arbiter and unifier. There and there only you will secure uniformity. Oh, but they say you have to scatter about the litigation. That is exactly what I want. The people are scattered all over these States and Territories. They have a right to litigate at home in the vicinage. I object to their having to come to Washington. But who is benefited by that. The railroads first. The railroads can all unite and retain two or three lawyers, and it is mighty easy for those lawyers to go before the court and try all the cases for all the carriers and they get out easy. If they should have much business there would be congestion and delay.

Talk about hearings. We have had hearings for 17 years to my knowledge—and we knew just what the law was, and we were not surprised at the Proctor & Gamble case at all. When the gentleman from Louisiana and the gentleman from Missouri became excited over the subject and undertook to remove the regulation of commerce to another committee we went right on with hearings on bills before our committee. We examined the members of the Commerce Commission. We examined the lawyers who are assembled in Washington and who would find it very convenient and profitable if they could assemble all litigation against the carriers and be permitted to conduct it all before one court here. We demonstrated on that hearing the hallucination that any shippers except the tap lines and their lawyers were agitated on the subject. We showed that the imaginary and loudly and widely heralded demand from shippers found its only basis in responses to stereotyped statements sent out from Washington. All that howling storm of clamor from the shippers was but the echo responding to statements from interested attorneys in Washington, and in making their responses they were misled by erroneous statements to the effect that the shippers had no chance; that the railroads had their day in court with the right to appeal, but that the shipper had no chance anywhere. All this will appear from the hearings taken a year ago by our committee. Not one solitary demand has ever come to our committee from a shipper, nor anybody claiming to be shippers, except some letters suggested and inspired by the erroneous statements already referred to, that the poor shipper was robbed and buffeted about and had no chance; that under the system erected by Congress everything and everybody was for the railroads and nobody for the shipper; when the truth is the only shippers who have ever complained are the tap-line tracks erected by industrial institutions as facilities for their own accommodation, and they were never turned down as shippers. The law itself recognized them as shippers, gave them all they were entitled to as shippers, but when they undertook to become carriers then it was a fight between tap-line railroad and trunk-line railroad, and they lost their complaint, not as shippers, but as pretended and self-assumed carriers, a character under which the Interstate Commerce Commission declined to recognize them, and claiming privileges as carriers which the law denied them. There was never a position so false, there was never an argument so sophistical, there was never a proposition fraught with so much poppy-cock as that urged in the amendments supported by the gentlemen from Louisiana and Missouri.

There is another great trouble about the gentleman from Louisiana. He has introduced a pair of contradictory propositions, either of which if successful would destroy the Interstate Commerce Commission and all our efforts to regulate, and both are in harmony with the spirit which supports the Commerce Court. His first proposition is to make the courts the guardians of the Commerce Commission, to correct it when it fails to modify a rate, and take charge and itself regulate the rate, a proposition unconstitutional, impracticable, and ridiculous. The second, he proposes to make all orders final, so as to deny redress in the courts to anybody. Of course everybody knows that is unconstitutional.

The CHAIRMAN. All time has expired. [Applause.]

The question is on the amendment offered by the gentleman from Georgia [Mr. BARTLETT].

Mr. FITZGERALD. Mr. Chairman, what is the amendment? Let us have it again reported.

The CHAIRMAN. The Clerk will again report the amendment.

The amendment was again reported.

The question was taken; and the Chair announced the ayes seemed to have it.

On a division (demanded by Mr. FITZGERALD) there were—ayes 82, noes 36.

Mr. MANN. Mr. Chairman, let us have tellers.

Tellers were ordered.

The committee again divided, and the tellers [Mr. FITZGERALD and Mr. BARTLETT] reported that there were—ayes 80, noes 40.

So the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

Mr. MANN. Is not the amendment to strike out the paragraph?

The CHAIRMAN. Yes.

Mr. MANN. That should be voted on last.

The CHAIRMAN. The Clerk will report the first amendment offered by the gentleman from Louisiana [Mr. BROUSSARD].

Mr. BROUSSARD. Mr. Chairman, in view of the action taken by the committee in adopting the Bartlett amendment, where does this amendment come in giving jurisdiction to the district courts? Of course the amendment of the gentleman from Georgia still leaves the proposition of the decisions of the Interstate Commerce Commission to be reviewable by the district courts, and the amendment now under consideration is an amendment to give additional jurisdiction to the district courts. At what part would this amendment come in under that amendment? I am not clear as to that.

Mr. FITZGERALD. Let the amendment be again reported so we will know what it is.

The CHAIRMAN. The Clerk will again report the amendment.

The first amendment of Mr. BROUSSARD was again reported.

Mr. BORLAND. That is the one that is identical with the Borland bill of the last session.

Mr. BROUSSARD. Yes.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken; and the Chairman announced that the noes seemed to have it.

Mr. BROUSSARD. A division, Mr. Chairman.

The CHAIRMAN. The gentleman from Louisiana [Mr. BROUSSARD] demands a division.

The committee divided; and there were—ayes 8, noes 67.

So the amendment was rejected.

The CHAIRMAN. The Clerk will report the next amendment offered by the gentleman from Louisiana [Mr. BROUSSARD]. That is the amendment to which the gentleman from Tennessee [Mr. SIMS] reserved a point of order.

Mr. SIMS. Yes; I reserved a point of order, but it might take a longer time to discuss it.

The Clerk read as follows:

On page 21, line 11, after the word "thirteen," strike out the comma and insert a period. Strike out, after said period, the balance of page 21 and all of pages 22, 23, and 24, and strike out all of that part of page 25 up to and including line 17, and insert in lieu thereof the following: "And no court in the United States shall entertain jurisdiction of any suit to enforce, suspend, set aside, in whole or in part, any order of the Interstate Commerce Commission, but such orders of said commission shall be final as to questions of law, as well as to questions of fact.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chairman announced that the "noes" seemed to have it.

Mr. BROUSSARD. I call for a division, Mr. Chairman.

The CHAIRMAN. The gentleman from Louisiana asks for a division.

The committee divided; and there were—ayes 3, noes 70.

So the amendment was rejected.

The CHAIRMAN. The Clerk will report the next amendment, which is the amendment offered by the gentleman from Indiana [Mr. CULLOP].

The Clerk read as follows:

Amend, page 21, line 19, by striking out the words "some or all of," after the word "where," and in line 20, after the word "has" strike out the word "either," and after the word "origin" strike out the words "or destination," so that the paragraph will read "The venue of any suit hereafter brought to enforce, suspend, or set aside, in whole or in part, any order of the Interstate Commerce Commission shall be in the judicial district where the transportation covered by the order has its origin," etc.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chairman announced that the "noes" seemed to have it.

Mr. MURDOCK. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 34, noes 58.

So the amendment was rejected.

The CHAIRMAN. The question now is on agreeing to the amendment offered by the gentleman from Illinois [Mr. MANN]. The Clerk will report it.

The Clerk read as follows:

Strike out the paragraph from line 4, page 21, to line 17, page 25, both lines inclusive.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. FITZGERALD. Is that all of the amendments, Mr. Chairman?

The CHAIRMAN. That is all.

Mr. FITZGERALD. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from New York [Mr. FITZGERALD] offers an amendment which the Clerk will report.

The Clerk read as follows:

For compensation (not exceeding in the aggregate $15,000 and at a monthly compensation not exceeding $300 each, to be fixed by the Secretary of the Treasury) and traveling expenses of agents to select and recommend sites that have been authorized by law for public buildings for the fiscal year 1914, $30,000.

Mr. BROUSSARD. Mr. Chairman, I want to reserve the right to have a vote in the House upon the two amendments which I offered.

The CHAIRMAN. The Chair did not catch the gentleman's request.

Mr. BROUSSARD. I say, Mr. Chairman, I want to reserve the right to ask for a separate vote in the House upon the amendments which I offered, which have been defeated in the committee.

The CHAIRMAN. The gentleman would not be in order, the amendments having been lost in the committee.

Mr. BROUSSARD. My amendments were lost in the committee. I want to reserve the right for a roll call in the House.

Mr. FITZGERALD. The gentleman can ask for his rights in the House.

The CHAIRMAN. The Chair would advise the gentleman from Louisiana to submit that proposition to the Speaker when we get into the House.

Mr. BROUSSARD. I do not want to lose my rights; that is all.

Mr. MONDELL. Mr. Chairman, I desire to submit a few remarks on this matter, but as it is quite late I ask unanimous consent that I may extend them in the RECORD.

The CHAIRMAN. The gentleman from Wyoming [Mr. MONDELL] asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. MONDELL. Mr. Chairman, I listened with much interest to observations made by gentlemen during the debate yesterday relative to the standardization of public buildings and in criticism or condemnation of the policy of erecting public buildings in relatively small cities and towns. To my surprise a number of gentlemen on the other side of the aisle expressed a rather remarkable change of opinion on the subject of public buildings in communities of less than metropolitan size; and for fear that it might be understood that this change of opinion was quite universal I have felt it my duty to say a few words on the subject.

One of the gentlemen who spoke has expressed the opinion that no public building should be erected in a city of less than 100,000 inhabitants, other gentlemen have placed the limit considerably lower, but still exclusive of a very large class of thriving towns. Other gentlemen would establish the rule that no public building shall be erected unless it is cheaper for the Government to build and maintain than to pay rent. Very briefly I desire to dissent from the opinions thus expressed.

It is and has been a very cheap and easy criticism of public-building bills to refer to them as pork-barrel bills. With certain classes of people every appropriation is a pork-barrel appropriation unless the money is to be spent to pay the salaries of men in uniform, for $15,000,000 battleships, for arms and munitions of war, or for costly structures to adorn great cities.

On what theory all expenditures for public buildings are to be limited to cities of upward of 100,000 people I do not know. If it is on the theory that as a cold business proposition it pays better to build than to rent I fear that an unbiased investigation would develop the fact that, assuming that the money we take from the people in taxes to build public buildings is worth 5 per cent to them and taking into consideration every element of cost and upkeep, there are very few places where the Government could not rent accommodations which would serve the purpose much better than the buildings that the Government ordinarily rents in small towns for much less than it costs to build and maintain. The gentlemen who have advanced the theory that the Government should erect no buidlings to serve the purposes of peace except upon conclusive proof that such building is essentially a matter of economy will find mighty few buildings to erect.

Possibly gentlemen argue that none but the largest communities and cities should have post-office buildings, because they, as clearing houses of postal business, receive the major portion of the postal revenues. One would judge from the pride and complacency with which gentlemen from large cities refer to the enormous postal receipts in such cities that they imagine that these receipts flow entirely from billet-doux and parcel-post transactions between and among the favored inhabitant of their and like communities.

Gentlemen seem to forget that if it was not for the people on the farms and in the small towns the postal receipts of these great centers would dwindle amazingly. Gentlemen who can not view these things except from the standpoint of the metropolitan citizen are not satisfied apparently that the cities shall have all the advantage which comes to the manufacturer, the finisher, the jobber, the middleman, while the country and the small towns and cities in the person of the ultimate consumer pays the fiddler. In addition to that it is their desire that when it comes to Government expenditures for permanent structures the hundreds and thousands of smaller communities which make up postal receipts shall not only receive no consideration but they—the larger communities—shall be the sole beneficiary of the aggregate of receipts contributed by many smaller communities.

I am not one of those who believe that the committee or the Congress, which passed the last public-building bill, is properly subject to any considerable censure in that behalf. No doubt they provided for buildings which we could do without, as, in fact, we could do without the monumental structure, beautiful and inspiring in situation and design, which we have just com-

pleted for the Bureau of Printing and Engraving in this city; but in my philosophy no properly planned and constructed public building in any growing community represents either a waste or a misappropriation of public funds. In many communities it is the only permanent, visible, tangible evidence of the existence of the Federal Government, and justifiable from that standpoint alone.

Some gentlemen who are not willing to go to the length of confining Federal construction to large cities would standardize all structures. If small cities and towns must have a public building, the theory seems to be that a glorified soap box, with a few tin trimmings painted, I suppose, to correspond with the tone of the landscape—a bright green in Virginia, a dull drab in Texas, and a dust color in Utah—would be about the thing. Standardization within reason is a good thing, but I have been inclined to the opinion that in late years we have been standardizing quite enough in the general plan and style of public buildings, though possibly not as much as we could or should in the matter of detail. My experience with public buildings is that they exert a most helpful and salutary influence upon the towns in which they are built. A public building of a design in harmony with its surroundings, of material that can be utilized without excessive cost in the better class of private structures, is a constant inspiration to the community and exerts a continuous, helpful influence in the improvement in plan and permanence in private structures.

I can not agree with the views that have been expressed by one or two of the gentlemen to the effect that we are not and have not been getting our money's worth in public buildings. I do not pretend to know what happens in large cities, where men make diligent study of sharp practice and tricks of the trade, but I do know that in the part of the country from which I hail the Government—not only the Post Office Department, but the War Department—has been erecting buildings as cheaply as the same class of buildings could be erected by anyone; in fact, I have in mind instances in which it has been a matter of surprise to well-informed people that a building of the kind could be constructed as cheaply as the Government has been constructing them. Gentlemen should bear in mind that these buildings are constructed with a degree of thoroughness and permanence that private individuals are inclined to think they can not afford, though, as I have said, the influence of these structures in the encouragement of good taste and permanence in private structures is very great. It should also be remembered that in Government construction of all kinds it is the practice to compel a closer adherence to specifications than in the case of private construction, and this of course has a tendency to somewhat increase cost.

Gentlemen have complained that the cost of the Supervising Architect's Office is excessive. As to that I am not informed, but we all know that a great variety of work performed through public agencies is more expensive than like work performed by private enterprise.

I expect to continue to support reasonable appropriations for Government expenditures along all proper lines, but I adhere to the belief that the flag floating from a Government building of pleasing design and appropriate finish in the small towns and cities of the country is at least as fine an inspiration of patriotism and good citizenship as is the banner floating from a $5,000,000 building in a great city or from the peak of a $15,000,000 battleship.

Mr. AUSTIN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD with respect to the Supervising Architect's Office.

The CHAIRMAN. The gentleman from Tennessee [Mr. AUSTIN] asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. POWERS. Mr. Chairman, I make the same request.

Mr. OGLESBY. And, Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky [Mr. POWERS] and the request of the gentleman from New York [Mr. OGLESBY]?

There was no objection.

[Mr. AUSTIN addressed the committee. See Appendix.]

Mr. POWERS. It has been so, Mr. Chairman, for many, many years that every time a Post Office appropriation bill, or anything akin to it, was up for discussion before Congress, and every time such a bill was passed by either House of the National Legislative body, there was a great hue and cry raised about "pork-barrel" legislation—about Congressmen getting things for their districts, and all that. What are Members sent here for except to do what they can, and all they can, for the constituents who sent them? Oh, but the point is raised that when one is elected a Member in Congress he is then a representative of all the people, and that he should be broad and fair enough to look at the general welfare of all the people; and if a certain proposed measure does not redound to the benefit of a majority of all the people, in that event he should not favor the legislation, even if it should greatly benefit and bless the people of his own district. It may be a narrow view for me to take, but I am for the people of my district first and the rest of the world afterwards. If every Member here should take that view of it there would never be any legislation passed that was not in harmony with the views, wishes, and welfare of a majority of all the people of this great country, because all the people of this great country are represented, or supposedly represented, by the 435 Members of the House of Representatives.

The people in the district I have the honor to represent are citizens and taxpayers of this great and glorious old country of ours, and, as such, they are entitled to have, at least, some of the immense appropriations of this Congress redound directly to their benefit. We have no great rivers, no bays, no harbors, no great lakes touching our territory. We have no great cities down there, no great navies nor standing armies. We have virtually none of the things in the district upon which the Government has been spending large sums of money. And, if the plan contended for here by some gentlemen be adopted that no money should be appropriated with which to erect a public building unless the population in the town or city exceed 100,000 people, in that event the district I have the honor to represent would get no appropriations whatever. Federal aid to public roads will come some time, and the upper Cumberland will some day, and I hope soon, be locked and dammed from its mouth to Burnside, Ky. But at present no appropriations of that character are being made. There is not a town in any county in the district I represent that has a population of over 10,000 people. A good many of the other Members of Congress are similarly situated. That is true of Congressman LANGLEY'S district north of me. It is true of Congressman AUSTIN'S district in the State of Tennessee, just south and east of the district I represent. It is true of a host of districts throughout the Union. Are they to have no appropriations for the erection of public buildings in these districts because, forsooth, there are no cities of at least 100,000 population within their boundary lines? Unfortunately, too, there are some congressional districts whose people measure the fitness of their Congressman to represent them by the number and size of the appropriations he is able to obtain for his district.

If he obtains none, in the minds of some people he is an unfit representative, however able and untiring he may be in his efforts to serve his constituency both faithfully and well. He may be instrumental in helping shape the great legislative measures of the country. He may have reflected credit upon the people of the district who gave him a seat in Congress, and all that, still when he becomes a candidate to succeed himself his enemies will yell themselves hoarse asking what he has done for his district; and unless he is able to point to some visible thing which money in the form of an appropriation has erected or constructed there are too many who are prone to say, "I can not see anything that he has done."

One of the dangers to our Republic is that the people have been flocking from the farms to the cities. By reason of this the farms have become partially deserted, production thereon has not kept pace with the ever-increasing tide of humanity, and as a result of it all prices of farm products have soared heavenward. "Back to the farm," is now the cry. "Back to the soil," is now the watchword and shibboleth of the advocates of a reduced cost of living. It was the reduction of the "robber" tariff for a while, you know. Are these advocates in Congress—these strenuous advocates—now wanting to adopt a policy to reward the people who live in the cities of immense size and punish the people who live in the country by giving appropriations to the one and denying it to the other? Consistency, consistency! It can be found everywhere except in politics and the American Congress. And why do you gentlemen trouble your souls about the high cost of living? You Democratic spellbinders on the raging stump in the last campaign told the confiding public that if they would just turn the robbing Republican scoundrels out of office and put your pious but red-nosed scoundrels in that all would be lovely; that the high cost of living would melt away like the mist before the rising sun; and that peace, plenty, and right living would be the common heritage of all. But lo, and behold! Lo and behold! Human nature has not changed. Wickedness is yet abroad in the land. The high cost of living each day continues to soar still higher. The third Maine district has gone Republican. There is a day

of reckoning for you gay deceivers. The people are deserting the party of asininity, deception, and failure.

[Mr. OGLESBY addressed the committee. See Appendix.]

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York [Mr. FITZGERALD].

The question was taken, and the amendment was agreed to.

Mr. FITZGERALD. Mr. Chairman, I move that the committee do now rise and report the bill favorably to the House with amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee determined to rise; and the Speaker having resumed the chair, Mr. FLOOD of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 7898, the urgent deficiency bill, and had directed him to report the same back with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. FITZGERALD. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The motion was agreed to.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. MANN. Mr. Speaker, I ask for a separate vote on the Bartlett amendment to the Commerce Court proposition abolishing the judges.

The SPEAKER. The gentleman from Illinois demands a separate vote on the Bartlett amendment to the Commerce Court proposition.

Mr. BROUSSARD. Mr. Speaker, I ask for a separate vote on both amendments that I offered.

The SPEAKER. Both amendments were lost, were they not?

Mr. BROUSSARD. Yes.

The SPEAKER. The gentleman can not have a vote upon them. Is a separate vote demanded on any other amendment, and if not, the Chair will put the rest of them en gros.

There was no further demand for a separate vote, and the remaining amendments were agreed to.

The SPEAKER. The Clerk will report the Bartlett amendment.

The Clerk read as follows:

Amend by adding on page 21, in line 15, after "repealed":

"The five additional circuit judgeships provided for by the act of Congress approved June 18, 1910, and by chapter 9 of the act entitled 'An act to codify, revise, and amend the laws relating to the judiciary,' approved March 3, 1911, are hereby abolished, and the authority in said acts of Congress for the President, by and with the advice and consent of the Senate, to appoint five additional circuit judges is hereby repealed, and the number of circuit judges is hereby reduced to 29. So much of the acts of June 18, 1910, and of March 3, 1911, as authorize or direct the said five judges to preside in the circuit or district courts of the United States or in the circuit courts of appeals or to exercise any of the powers, duties, or authority of circuit or district judges, or of said circuit or district courts or of said circuit courts of appeals, is hereby repealed."

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. MANN) there were—92 ayes and 45 noes.

Mr. MANN. Mr. Speaker, I make the point of order that no quorum is present.

The SPEAKER. The Chair will count. [After counting.] One hundred and fifty-two Members present; not a quorum.

ADJOURNMENT.

Mr. FITZGERALD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 20 minutes p. m.) the House adjourned until to-morrow, Tuesday, September 9, 1913, at 12 o'clock noon.

EXECUTIVE COMMUNICATION.

Under clause 2 of Rule XXIV, a letter from the Acting Secretary of War, transmitting, with a letter from the Chief of Engineers, report of examination of Paint Rock River, Ala. (H. Doc. No. 227), was taken from the Speaker's table, referred to the Committee on Rivers and Harbors, and ordered to be printed.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 2750) granting a pension to Stanley S. Stout; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 3306) granting an increase of pension to Charles Wilson; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SMITH of Idaho: A bill (H. R. 7968) to provide for the erection of a Federal building at Blackfoot, Idaho; to the Committee on Public Buildings and Grounds.

By Mr. BRITTEN: A bill (H. R. 7969) to prohibit the killing and interstate shipment of beef cattle under a certain age; to the Committee on Interstate and Foreign Commerce.

By Mr. SUMNERS: A bill (H. R. 7970) to establish in the Department of Agriculture a bureau of marketing; to the Committee on Agriculture.

By Mr. BORLAND: A bill (H. R. 7971) to provide for the construction of sanitary dwellings at a low rental for unskilled wage earners in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. CARTER: A bill (H. R. 7972) providing for the holding of the United States district and circuit courts at Hugo, Okla.; to the Committee on the Judiciary.

By Mr. HOBSON: A bill (H. R. 7973) to provide for the publication of an official journal; to the Committee on Printing.

By Mr. STEPHENS of Texas: A bill (H. R. 7974) to adjust the tribal rolls and to settle the affairs of the Five Civilized Tribes in Oklahoma; to the Committee on Indian Affairs.

By Mr. BOOHER: Resolution (H. Res. 245) directing the Secretary of Agriculture to communicate to the House of Representatives the cost and result of the investigation of the hog-cholera plague; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRITTEN: A bill (H. R. 7975) for the relief of the heirs of Claud Graham; to the Committee on Claims.

By Mr. DYER: A bill (H. R. 7976) granting a pension to Charles F. Lang; to the Committee on Invalid Pensions.

By Mr. FORDNEY: A bill (H. R. 7977) granting a pension to George Oatten; to the Committee on Pensions.

By Mr. HOUSTON: A bill (H. R. 7978) granting an increase of pension to Thomas Davis; to the Committee on Invalid Pensions.

By Mr. KIESS of Pennsylvania: A bill (H. R. 7979) granting a pension to Lucy M. Cooke; to the Committee on Pensions.

By Mr. LOBECK: A bill (H. R. 7980) granting a pension to George J. Jarchow; to the Committee on Pensions.

Also, a bill (H. R. 7981) granting an increase of pension to John K. Lowry; to the Committee on Invalid Pensions.

By Mr. PATTON of Pennsylvania: A bill (H. R. 7982) granting a pension to George M. Maginnis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7983) granting a pension to Mary E. Schnell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7984) granting an increase of pension to Dallas Patrick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7985) granting an increase of pension to William M. McIntosh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7986) granting an increase of pension to Charles H. Else; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7987) granting an increase of pension to James T. Herrington; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7988) granting an increase of pension to William Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7989) granting an increase of pension to Alfred Richards; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7990) granting an increase of pension to William Colpetzer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7991) granting an increase of pension to Elizabeth A. Clemson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7992) granting an increase of pension to Seymour Ross; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7993) granting an increase of pension to Irvin G. Alexander; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7994) granting an increase of pension to Cyrus Wilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7995) granting an increase of pension to Charles F. Heichtel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7996) granting an honorable discharge to C. H. Cole; to the Committee on Military Affairs.

Also, a bill (H. R. 7997) granting an increase of pension to Christian H. Buckwalter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7998) granting an increase of pension to George W. Brink; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7999) granting an increase of pension to John Anderson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8000) granting an increase of pension to Jacob Woodruff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8001) granting an increase of pension to Marshall C. Conroe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8002) granting an increase of pension to John C. Rote; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8003) granting an increase of pension to J. Milton Carlisle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8004) granting an increase of pension to Lavina Sharp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8005) granting an increase of pension to Joseph Gates; to the Committee on Invalid Pensions.

By Mr. SINNOTT: A bill (H. R. 8006) granting an increase of pension to Sarah A. Tillard; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. BURNETT: Petition of the Association of German Authors of America, New York, N. Y., and of the Alabama State Branch of the German-American National Alliance, Mobile, Ala., protesting against placing a tariff on books printed in languages other than English; to the Committee on Ways and Means.

Also, petition of the Switchmen's Union of North America, Houston, Tex., protesting against the schedule of compensation provided for in the workmen's compensation bill; to the Committee on the Judiciary.

Also, petition of sundry business men of the seventh congressional district of Alabama, favoring the passage of legislation compelling concerns selling goods direct to the consumer by mail to contribute their portion of the funds for the development of the local community, county, and State; to the Committee on Interstate and Foreign Commerce.

Also, petition of Fred J. Buchmonn, Cullman, Ala., and J. J. Tucker, Crane Hill, Ala., protesting against including mutual life insurance companies in the income-tax bill; to the Committee on Ways and Means.

By Mr. BRITTEN: Papers to accompany bill for the relief of the heirs of Claude Graham; to the Committee on Claims.

By Mr. CAMPBELL: Petition of sundry business men of the third congressional district of Kansas, favoring the passage of legislation compelling concerns selling goods direct to the consumer by mail to contribute their portion of the funds for the development of the local community, county, and State; to the Committee on Interstate and Foreign Commerce.

By Mr. CLARK of Florida: Petition of the city council of Jacksonville, Fla., favoring the passage of legislation for national aid for the construction of good roads; to the Committee on Roads.

By Mr. DYER: Petition of the Missouri Old Trails Road Association, Booneville, Mo., favoring the passage of legislation making an appropriation for the continuance of the Cumberland Road through the States of Ohio, Indiana, Illinois, and Missouri; to the Committee on Roads.

By Mr. SAMUEL W. SMITH: Petition of Williamston (Kans.) Grange, No. 115, protesting against the passage of the Underwood tariff bill; to the Committee on Ways and Means.

Also, petition of sundry business men of 29 towns of the State of Michigan, favoring the passage of legislation compelling concerns selling goods direct to the consumer by mail to contribute their portion of the funds for the development of the local community, county, and State; to the Committee on Interstate and Foreign Commerce.

SENATE.

TUESDAY, *September 9, 1913.*

The Senate met at 9 o'clock a. m.

Prayer by the Chaplain, Rev. Forrest J. Prettyman, D. D.

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

MEMORIAL.

Mr. POINDEXTER presented a memorial of Local Camp No. 2, Sons of Veterans, of Spokane, Wash., remonstrating against any change in the design of the American flag, which was referred to the Committee on Military Affairs.

NATIONAL CONSERVATION EXPOSITION, KNOXVILLE, TENN.

Mr. ASHURST, from the Committee on Industrial Expositions, to which was referred S. Res. 175, to provide for a committee to accept on behalf of the Senate an invitation to visit the National Conservation Exposition, reported it without amendment, submitted a report (No. 111) thereon, and moved that it be referred to the Committee to Audit and Control the Contingent Expenses of the Senate, 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. OWEN:

A bill (S. 3099) to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes; to the Committee on Banking and Currency.

By Mr. GORE:

A bill (S. 3100) fixing the compensation of letter carriers of the Rural Delivery Service at a salary not exceeding $120 per month; to the Committee on Post Offices and Post Roads.

AMENDMENT TO DEFICIENCY APPROPRIATION BILL.

Mr. PENROSE submitted an amendment proposing to appropriate $10,000 for completion of post-office building under present limit at Hanover, Pa., etc., intended to be proposed by him to the urgent deficiency appropriation bill (H. R. 7898), which was referred to the Committee on Appropriations and ordered to be printed.

PUBLIC LANDS IN CALIFORNIA.

Mr. WORKS submitted an amendment intended to be proposed by him to the bill (H. R. 7207) granting to the city and county of San Francisco certain rights of way in, over, and through certain public lands, the Yosemite National Park, and Stanislaus National Forest, and certain lands in the Yosemite National Park, the Stanislaus National Forest, and the public lands in the State of California, and for other purposes, which was referred to the Committee on Public Lands and ordered to be printed.

THE TARIFF.

The VICE PRESIDENT. The morning business is closed.

Mr. SIMMONS. I ask unanimous consent that the Senate proceed to the consideration of House bill 3321.

There being no objection, the Senate resumed the consideration of the bill (H. R. 3321) to reduce tariff duties and to provide revenue for the Government, and for other purposes.

Mr. SMOOT. Mr. President, I believe we should have a quorum before we start with the consideration of the bill. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

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

Brandegee	McCumber	Pomerene	Smoot
Bristow	Martin, Va.	Robinson	Sterling
Chamberlain	Myers	Sheppard	Thomas
Gallinger	Nelson	Sherman	Walsh
James	Norris	Shields	Works
Jones	Owen	Simmons	
Kenyon	Page	Smith, Ga.	
Lane	Perkins	Smith, S. C.	

Mr. STERLING. I desire to announce that my colleague [Mr. CRAWFORD] is unavoidably absent.

Mr. JONES. I desire to state that the junior Senator from Michigan [Mr. TOWNSEND] is necessarily absent from the city. He is paired with the Senator from Florida [Mr. BRYAN].

The VICE PRESIDENT. Twenty-nine Senators have answered to the roll call.

Mr. BRANDEGEE. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The VICE PRESIDENT. May the Chair suggest to the Senator from Connecticut that the roll of absentees be first called?

Mr. BRANDEGEE. Certainly; I shall be very glad to have that done.

The Secretary called the names of the absent Senators, and Mr. ASHURST, Mr. HOLLIS, Mr. KERN, Mr. LEA, Mr. SHIVELY, and Mr. VARDAMAN answered to their names when called.

Mr. SHEPPARD (when Mr. CULBERSON'S name was called). My colleague, the senior Senator from Texas, is necessarily absent. He is paired with the Senator from Delaware [Mr. DU PONT]. This announcement may stand for the day.

Mr. MCCUMBER (when Mr. GRONNA'S name was called). My colleague is necessarily absent.

Mr. FLETCHER, Mr. HUGHES, Mr. BRYAN, Mr. LA FOLLETTE, and Mr. THORNTON entered the Chamber and answered to their names.

The VICE PRESIDENT. Forty Senators have answered to the roll call. There is not a quorum present.

Mr. SIMMONS. Mr. President——

Mr. BRANDEGEE. I renew my motion.