

RECESS.

The VICE PRESIDENT. The hour of 6 o'clock having arrived, the Senate stands in recess until 11 o'clock to-morrow morning.

The Senate thereupon (at 6 o'clock p. m.) took a recess until to-morrow, Friday, July 24, 1914, at 11 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate July 23, 1914.

CONSUL GENERAL AT LARGE.

Roger S. Greene, of Massachusetts, now consul general at Hankow, to be consul general at large of the United States of America, vice Alfred L. M. Gottschalk, appointed consul general at Rio de Janeiro.

CONSULS GENERAL.

Julean H. Arnold, of California, now consul at Chefoo, to be consul general of the United States of America at Hankow, China, vice Roger S. Greene, nominated to be consul general at large.

Fred D. Fisher, of Oregon, now consul general at Mukden, to be consul general of the United States of America at Tientsin, China, vice Samuel S. Knabenshue, resigned.

P. Stewart Heintzleman, of Pennsylvania, now Assistant Chief of the Division of Far Eastern Affairs, Department of State, to be consul general of the United States of America at Mukden, China, vice Fred D. Fisher, nominated to be consul general at Tientsin.

CONSULS.

John K. Caldwell, of Kentucky, now assistant Japanese secretary, to be consul of the United States of America at Vladivostok, Siberia, vice John F. Jewell, nominated to be consul at Chefoo.

John F. Jewell, of Illinois, now consul at Vladivostok, to be consul of the United States of America at Chefoo, China, vice Julean H. Arnold, nominated to be consul general at Hankow.

JUDGES OF CIRCUIT COURTS.

Clarence W. Ashford, of Honolulu, Hawaii, to be first judge of the circuit court of the first circuit of the Territory of Hawaii, vice Henry E. Cooper, whose term has expired.

William S. Edings, of Honolulu, Hawaii, to be judge of the circuit court of the second circuit of the Territory of Hawaii, vice Selden B. Kingsbury, whose term has expired.

THIRD LIEUTENANTS OF ENGINEERS, REVENUE-CUTTER SERVICE.

Cadet Engineer Chester Arthur Beckley to be a third lieutenant of Engineers in the Revenue-Cutter Service of the United States, to fill an original vacancy.

Cadet Engineer Aaron Mathais to be a third lieutenant of Engineers in the Revenue-Cutter Service of the United States, to fill an original vacancy.

Cadet Engineer Paul Revere Smith to be a third lieutenant of Engineers in the Revenue-Cutter Service of the United States, to fill an original vacancy.

Cadet Engineer Isaac John Van Kammen to be a third lieutenant of Engineers in the Revenue-Cutter Service of the United States, to fill an original vacancy.

PROMOTIONS IN THE ARMY.

INFANTRY ARM.

Lieut. Col. Omar Bundy, Eleventh Infantry, to be colonel from July 20, 1914, vice Col. George Bell, jr., Sixteenth Infantry, appointed brigadier general.

Maj. Evan M. Johnson, jr., Infantry, unassigned, to be lieutenant colonel from July 20, 1914, vice Lieut. Col. Omar Bundy, Eleventh Infantry, promoted.

Capt. John K. Miller, Infantry, unassigned, to be major from July 20, 1914, vice Maj. Evan M. Johnson, jr., unassigned, promoted.

First Lieut. Franklin P. Jackson, Second Infantry, to be captain from July 20, 1914, vice Capt. John K. Miller, unassigned, promoted.

Second Lieut. Blaine A. Dixon, Fifteenth Infantry, to be first lieutenant from July 20, 1914, vice First Lieut. Franklin P. Jackson, Second Infantry, promoted.

CONFIRMATIONS.

Executive nominations confirmed by the Senate July 23, 1914.

PROMOTIONS IN THE ARMY.

COAST ARTILLERY CORPS.

Maj. William C. Davis to be lieutenant colonel.
Capt. Thomas F. Dwyer to be major.
First Lieut. Rollo F. Anderson to be captain.

Second Lieut. Wallace L. Clay to be first lieutenant.

Second Lieut. Walter L. Clark to be first lieutenant.

APPOINTMENTS, BY TRANSFER, IN THE ARMY.

Second Lieut. Cedric Watterson Lewis to be second lieutenant of Infantry.

Second Lieut. Joseph Webster Allison, jr., to be second lieutenant of Cavalry.

POSTMASTERS.

VERMONT.

Anna M. Allen, West Pawlet.
George E. Randall, Wells River.

WITHDRAWAL.

Executive nomination withdrawn July 23, 1914.

Thomas D. Jones, of Illinois, to be a member of the Federal Reserve Board.

HOUSE OF REPRESENTATIVES.

THURSDAY, July 23, 1914.

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 to Thee in gratitude, Almighty God our Father, for all the disclosures Thou hast made of Thyself. That we may know somewhat of Thy wisdom Thou hast displayed most marvelously the wonderful adaptation of means to ends. That we may know somewhat of Thy power Thou hast spread out before us the vast and stupendous heavens, all of which move in harmony with Thy will. That we may know somewhat of Thy love Thou hast bound us together into families by the tender ties of affection which time nor space can sever, all of which are reassuring.

May we hallow Thy name by a faithful service in the things whereunto Thou hast called us, for Thine is the kingdom and the power and the glory forever. Amen.

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

DISPOSITION OF USELESS PAPERS IN THE EXECUTIVE DEPARTMENTS.

The SPEAKER laid before the House a report (No. 997, 63d Cong., 2d sess.) by Mr. TALBOTT of Maryland, from the Joint Select Committee on Disposition of Useless Executive Papers, relative to the report of the president of the United States Civil Service Commission in House Document No. 245, Sixty-third Congress, first session; the report of the Secretary of the Department of the Interior in House Document No. 912, Sixty-third Congress, second session; and the report of the Secretary of War in House Document No. 1005, Sixty-third Congress, second session, which report was ordered to be printed.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Tulley, one of its clerks, announced that the Senate had passed with amendments bills of the following titles, in which the concurrence of the House of Representatives was requested:

H. R. 16345. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors;

H. R. 16294. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war;

H. R. 17482. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors; and

H. R. 15959. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors.

The message also announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 6106. An act validating locations of deposits of phosphate rock heretofore made in good faith under the placer-mining laws of the United States.

ENROLLED BILL SIGNED.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 5462. An act to authorize the county of Barry, State of Missouri, to construct a bridge across the White River in Barry County, Mo., at or near a point known as Goldens Ferry.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee as indicated below:

S. 6106. An act validating locations of deposits of phosphate rock heretofore made in good faith under the placer-mining laws of the United States; to the Committee on the Public Lands.

SUNDRY CIVIL APPROPRIATION BILL.

The SPEAKER. When the House adjourned on Tuesday the matter in controversy was the conference report on the sundry civil appropriation bill; and the particular matter was the motion of the gentleman from California [Mr. KAHN] to recede and concur in Senate amendment 145.

Mr. SHERLEY. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Kentucky suggests the absence of a quorum. Evidently there is no quorum present. There is no use pretending to count.

Mr. UNDERWOOD. Mr. Speaker, I move a call of the House. A call of the House was ordered.

The SPEAKER. The Doorkeeper will lock the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk proceeded to call the roll, when the following members failed to answer to their names:

| | | | |
|-----------------|-----------------|---------------|-----------------|
| Adair | Elder | Korbly | Reilly, Conn. |
| Alney | Estoplinal | Kreider | Riordan |
| Anthony | Evans | Lafferty | Roberts, Mass. |
| Ashbrook | Fairchild | Langham | Rubey |
| Aswell | Farr | Langley | Sabath |
| Austin | Fields | Lazaro | Saunders |
| Barchfeld | Finley | L'Engle | Scully |
| Bartlett | Frear | Lesher | Sherwood |
| Beall, Tex. | Gallagher | Lewis, Md. | Shreve |
| Bell, Ga. | Gardner | Lewis, Pa. | Slayden |
| Borland | George | Lindquist | Small |
| Bowdle | Gill | Linthicum | Smith, Md. |
| Broussard | Gillett | Lobeck | Smith, J. M. C. |
| Brown, N. Y. | Glass | Loft | Smith, Tex. |
| Brown, N. Va. | Goldfogle | Lbue | Stafford |
| Browne, Wis. | Gorman | McClellan | Stanley |
| Browning | Graham, Pa. | McGillicuddy | Stephens, Miss. |
| Bruckner | Griest | McLaughlin | Stephens, Nebr. |
| Buchanan, Ill. | Griffin | Maher | Stringer |
| Buikley | Gudger | Martin | Sumners |
| Burke, Pa. | Guernsey | Merritt | Sutherland |
| Byrnes, S. C. | Hamill | Metz | Switzer |
| Byrus, Tenn. | Hamilton, Mich. | Miller | Taggart |
| Calder | Hamilton, N. Y. | Mitchell | Taylor, Ark. |
| Callaway | Hammond | Moore | Temple |
| Candler, Miss. | Hardwick | Morgan, La. | Ten Eyck |
| Cantrill | Hart | Morin | Thomas |
| Carew | Hayes | Moss, W. Va. | Thompson, Okla. |
| Carlin | Henry | Mott | Vare |
| Cary | Hinds | Murray, Mass. | Vaughan |
| Chandler, N. Y. | Hinebaugh | Murray, Okla. | Vollmer |
| Coady | Hobson | Neeley, Kans. | Walker |
| Connolly, Iowa | Houston | O'Brien | Wallin |
| Cooper | Howard | O'Leary | Walters |
| Copley | Hoxworth | O'Shaunessy | Watson |
| Covington | Hughes, Ga. | Padgett | Weaver |
| Crisp | Hughes, W. Va. | Paige, Mass. | Whitacre |
| Crosser | Hulings | Palmer | White |
| Dale | Igoe | Parker | Willis |
| Davenport | Jacoway | Patten, N. Y. | Wilson, Fla. |
| Dies | Johnson, S. C. | Payne | Wilson, N. Y. |
| Donohoe | Jones | Peters, Mass. | Winslow |
| Doolling | Keister | Platt | Woods |
| Driscoll | Kennedy, Conn. | Porter | Young, N. Dak. |
| Eagan | Kiess, Pa. | Powers | Young, Tex. |
| Eagle | Kinkead, N. J. | Prouty | |
| Edmonds | Kitchin | Rauch | |
| Edwards | Knowland, J. R. | Rayburn | |

The SPEAKER. On this roll call 240 Members have answered to their names. A quorum is present.

Mr. UNDERWOOD. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to. The doors were opened.

Mr. DONOVAN. Mr. Speaker, I wish to make a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DONOVAN. I am going to make a charge of sharp practice being made here this morning on the part of one of the attachés of the House, who, at the behest of the gentleman from California, is pairing absent Members with Members who are present for the purpose of affecting the vote on this proposition.

The SPEAKER. Neither the House nor the Speaker nor the gentleman from Connecticut has any control over pairs. The question is on the motion of the gentleman from California to lay on the table the motion to reconsider.

Mr. MURDOCK. Mr. Chairman, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MURDOCK. Very often in parliamentary procedure a motion to lay on the table carries the substantive measure with it. Why does it not do it in this case?

The SPEAKER. Because it is not an amendment. If an amendment is laid on the table, it tables the whole thing.

Mr. MURDOCK. And this tables only the motion itself?

The SPEAKER. This is a summary proceeding. Usually the Member makes the motion to reconsider and lay on the table in one motion, but there is nothing pending before the House at this particular instance except the motion. The other day, in the hurry of the proceedings, and it being the first time that a request to sever such a motion has been made since the present occupant of the Chair has been in the House, the Chair erroneously put the first half of the proposition first.

Mr. SHERLEY. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. SHERLEY. If the motion to lay on the table is voted down, does the question recur on the motion to reconsider the vote to appropriate this money for the San Francisco exposition?

The SPEAKER. The Chair thinks so.

Mr. SHERLEY. If the motion to lay on the table is voted down, does not that bring up the question of reconsideration?

The SPEAKER. Yes; on the question of reconsideration the other night the House adjourned because it could not get a quorum. The question is on the motion to table the motion to reconsider.

Mr. MANN. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. MANN. The Speaker having decided on Tuesday that the question was on the motion to reconsider, and the House having ordered the yeas and nays on that, is it not too late to correct the error?

The SPEAKER. The situation was that no quorum developed, and the whole proceeding was absolutely nugatory.

Mr. FITZGERALD. The ordering of the yeas and nays was not nugatory.

The SPEAKER. The yeas and nays were ordered on the motion to reconsider, and the Chair had forgotten that. What is the query of the gentleman from Illinois?

Mr. MANN. The Speaker having decided on Tuesday, as the Speaker now thinks erroneously, that the question was on the motion to reconsider, and the yeas and nays having been ordered on that question, is it not too late to correct the ruling?

The SPEAKER. The Chair thinks that under that state of the case the vote ought to be taken on the motion to reconsider.

Mr. UNDERWOOD. Mr. Speaker, as I understand the parliamentary situation, after the item had been agreed to the gentleman from California moved to reconsider and lay that motion on the table. There was great confusion in the House at the time, due to the fact that there was not a quorum present. The Speaker said the motion before the House was the motion to reconsider. Probably if the gentleman from California had made the point of order at the time the question before the House was to lay the motion on the table, I have no doubt the Speaker would have ruled with him.

The SPEAKER. Of course he would; and if the Chair had had a few minutes to think of the matter, he would have put the other motion first.

Mr. UNDERWOOD. But without objection, without the point of order having been made, the motion to lay on the table was passed over practically by unanimous consent, and we come to the question of reconsideration; and as there is no desire to debate that question, it seems to me that it would expedite business, the yeas and nays having been ordered on the motion now before the House, the question of reconsideration.

Mr. MURDOCK. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. MURDOCK. Would it be in order now to move to lay the motion on the table?

The SPEAKER. That motion has already been made. If the vote on the motion to reconsider goes one way, it ends it, and if it goes the other, it does not. The Chair thinks, on the whole, that the vote ought to be taken on the motion to reconsider.

Mr. SHERLEY. If the vote is taken on the motion to reconsider and it is voted to reconsider, then the question comes on the original motion for the House to recede and concur in the Senate amendment.

The SPEAKER. The vote will be taken on the motion to reconsider the vote by which the motion of the gentleman from

California was agreed to. The yeas and nays are ordered on it, and the Clerk will call the roll. All those in favor of reconsidering the vote whereby the motion of the gentleman from California was agreed to will answer "aye," and those opposed will answer "no."

Mr. MURDOCK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MURDOCK. I have already voted upon this proposition to reconsider.

The SPEAKER. But no quorum developed on that vote, and we must take the vote again, de novo.

Mr. BARNHART. Mr. Speaker, what was the result of the original vote taken on this? What was the outcome of the vote?

The SPEAKER. The motion made by the gentleman from California [Mr. KAHN] carried.

Mr. CLARK of Florida. Mr. Speaker, I demand the regular order.

The SPEAKER. The Clerk will call the roll.

The Clerk called the roll; and there were—yeas 108, nays 134, answered "present" 9, not voting 181, as follows:

YEAS—108.

| | | | |
|-----------------|----------------|------------------|-----------------|
| Abercrombie | Danforth | Hensley | Rouse |
| Adamson | Decker | Hill | Rubey |
| Alken | Dickinson | Hull | Russell |
| Ansberry | Difenderfer | Humphreys, Miss. | Seldomridge |
| Ashbrook | Dixon | Johnson, Ky. | Shackelford |
| Bailey | Donovan | Key, Ohio | Shierley |
| Baltz | Doolittle | Lee, Ga. | Sims |
| Barkley | Doremus | Lenroot | Sisson |
| Barnhart | Doughton | Lever | Sparkman |
| Bathrick | Falson | Lloyd | Stedman |
| Blackmon | Fergusson | Loneragan | Stephens, Miss. |
| Borchers | Fitzgerald | Maguire, Nebr. | Stephens, Nebr. |
| Brockson | Flood, Va. | Mahan | Stephens, Tex. |
| Brumbaugh | Foster | Mann | Stevens, N. H. |
| Buchanan, Tex. | Fowler | Mitchell | Tavener |
| Burgess | Garrett, Tenn. | Morrison | Taylor, Colo. |
| Burnett | Garrett, Tex. | Moss, Ind. | Tbacher |
| Caraway | Gerry | Neely, W. Va. | Townsend |
| Carr | Gocke | Oglesby | Tribble |
| Claypool | Gray | Page, N. C. | Tuttle |
| Cline | Gregg | Payne | Underwood |
| Collier | Hamlin | Peterson | Walsh |
| Connelly, Kans. | Hardy | Pou | Watson |
| Conry | Harris | Quin | Webb |
| Covington | Harrison | Ragsdale | Whaley |
| Cox | Helm | Reed | Williams |
| Cullop | Helvering | Reilly, Wis. | Witherspoon |

NAYS—134.

| | | | |
|----------------|-----------------|----------------|-----------------|
| Alexander | Esch | Kent | Raker |
| Allen | Evans | Kettner | Roberts, Nev. |
| Anderson | Falconer | Kindel | Rogers |
| Avis | Fess | Kinkald, Nebr. | Rothermel |
| Baker | FitzHenry | Kirkpatrick | Rupley |
| Barchfeld | Floyd, Ark. | Konop | Scott |
| Bartholdt | Fordney | La Follette | Sells |
| Barton | Francis | Lee, Pa. | Sinnot |
| Beakes | French | Levy | Slemp |
| Bell, Cal. | Gallivan | Lindbergh | Sloan |
| Britten | Gilmore | McAndrews | Smith, Idaho |
| Brodbeck | Gittins | McGuire, Okla. | Smith, Minn. |
| Broussard | Godwin, N. C. | McKellar | Smith, N. Y. |
| Brown, W. Va. | Good | McKenzie | Smith, Saml. W. |
| Bryan | Gordon | MacDonald | Stevens, Cal. |
| Burke, S. Dak. | Goulden | Madden | Stevens, Minn. |
| Burke, Wis. | Graham, Ill. | Manahan | Stone |
| Butler | Greene, Mass. | Mapes | Stout |
| Campbell | Greene, Vt. | Mondell | Talbot, Md. |
| Cantor | Haugen | Morgan, Okla. | Talcott, N. Y. |
| Casey | Hawley | Murdoch | Taylor, Ala. |
| Church | Hayden | Murdock | Taylor, Ark. |
| Clancy | Hefflin | Nelson | Thomson, Ill. |
| Clark, Fla. | Helgesen | Nolan, J. I. | Towner |
| Cramton | Holland | Norton | Treadway |
| Curry | Howell | O'Hair | Underhill |
| Davis | Humphrey, Wash. | Oldfield | Volstead |
| Deltrick | Johnson, Utah | Patton, Pa. | Watkins |
| Dent | Johnson, Wash. | Peters, Me. | Wingo |
| Dershem | Kahn | Pbelan | Wooduff |
| Dillon | Kelley, Mich. | Platt | Woods |
| Drukker | Kelly, Pa. | Plumley | Young, N. Dak. |
| Dunn | Kennedy, Iowa | Post | |
| Dupré | Kennedy, R. I. | Rainey | |

ANSWERED "PRESENT"—9.

| | | | |
|-------------|---------|-------|--------|
| Gard | Hay | Lieb | Park |
| Garner | Keating | McCoy | Rucker |
| Green, Iowa | | | |

NOT VOTING—181.

| | | | |
|--------------|----------------|-----------------|-----------|
| Adair | Browning | Carter | Doolling |
| Ainey | Bruckner | Cary | Driscoll |
| Anthony | Buchanan, Ill. | Chandler, N. Y. | Eagan |
| Aswell | Bulkley | Coady | Eagle |
| Austin | Burke, Pa. | Connolly, Iowa | Edmonds |
| Bartlett | Byrnes, S. C. | Cooper | Edwards |
| Beall, Tex. | Byrnes, Tenn. | Copley | Elder |
| Bell, Ga. | Calder | Crisp | Estopinal |
| Boober | Callaway | Crosser | Fairchild |
| Borland | Candler, Miss. | Dale | Farr |
| Bowdle | Cantrill | Davenport | Ferris |
| Brown, N. Y. | Carew | Dies | Fields |
| Browne, Wis. | Carlin | Donohoe | Finley |

| | | | |
|-----------------|-----------------|----------------|-----------------|
| Frear | Jacoway | Moon | Smith, J. M. C. |
| Gallagher | Johnson, S. C. | Moore | Smith, Md. |
| Gardner | Jones | Morgan, La. | Smith, Tex. |
| George | Kelster | Morin | Stafford |
| Gill | Kennedy, Conn. | Moss, W. Va. | Stanley |
| Gillett | Kless, Pa. | Mott | Steenerson |
| Glass | Kinhead, N. J. | Murray, Mass. | Stringer |
| Goldfogle | Kitchin | Murray, Okla. | Summers |
| Goodwin, Ark. | Knowland, J. R. | Neeley, Kans. | Sutherland |
| Gorman | Korbly | O'Brien | Switzer |
| Graham, Pa. | Kreider | O'Leary | Taggart |
| Griest | Lafferty | O'Shaunessy | Taylor, N. Y. |
| Griffin | Langham | Padgett | Temple |
| Gudger | Langley | Palge, Mass. | Ten Eyck |
| Guernsey | Lazaro | Palmer | Thomas |
| Hamilton, Mich. | L'Engle | Parker | Thompson, Okla. |
| Hamilton, N. Y. | Lesber | Patten, N. Y. | Vare |
| Hammond | Lewis, Md. | Peters, Mass. | Vaughan |
| Hardwick | Lewis, Pa. | Porter | Vollmer |
| Hart | Lindquist | Powers | Walker |
| Hays | Linthicum | Prouty | Wallin |
| Henry | Lobeck | Rauch | Walters |
| Hinds | Loft | Rayburn | Weaver |
| Hinebaugh | Logue | Reilly, Conn. | Whitacre |
| Hobson | McClellan | Riordan | White |
| Houston | McGillicuddy | Roberts, Mass. | Willis |
| Howard | McLaughlin | Sabath | Wilson, Fla. |
| Howarth | Maher | Saunders | Wilson, N. Y. |
| Hughes, Ga. | Martin | Scully | Winslow |
| Hughes, W. Va. | Merritt | Sherwood | Young, Tex. |
| Hulings | Metz | Shreve | |
| Igoe | Miller | Slayden | |
| | Montague | Small | |

So the motion to reconsider was rejected. The Clerk announced the following pairs:

For the session:

Mr. METZ with Mr. WALLIN.

Mr. SCULLY with Mr. BROWNING.

On the vote:

Mr. GREEN of Iowa (for motion) with Mr. STEENERSON (against).

Mr. MOON (for motion) with Mr. AUSTIN (against).

Mr. SHERWOOD (for motion) with Mr. KEATING (against).

Mr. MCCOY (for motion) with Mr. CARTER (against).

Mr. LIEB (for motion) with Mr. KORBLY (against).

Mr. PARK (for motion) with Mr. GOODWIN of Arkansas (against).

Until further notice:

Mr. HAY with Mr. PAIGE of Massachusetts.

Mr. DAVENPORT with Mr. J. M. C. SMITH.

Mr. HENRY with Mr. HINDS.

Mr. DALE with Mr. MARTIN.

Mr. STEPHENS of Nebraska with Mr. LEWIS of Pennsylvania.

Mr. VAUGHAN with Mr. SHREVE.

Mr. THOMAS with Mr. FAIRCHILD.

Mr. SLAYDEN with Mr. BURKE of Pennsylvania.

Mr. GOLDFOGLE with Mr. LANGHAM.

Mr. HUGHES of Georgia with Mr. MERRITT.

Mr. HARDWICK with Mr. J. R. KNOWLAND.

Mr. YOUNG of Texas with Mr. AINEY.

Mr. LAZARO with Mr. PARKER.

Mr. SABATH with Mr. SWITZER.

Mr. SAUNDERS with Mr. WINSLOW.

Mr. LOBECK with Mr. POWERS.

Mr. GORMAN with Mr. MCLAUGHLIN.

Mr. BUCHANAN of Illinois with Mr. COOPER.

Mr. ASWELL with Mr. CARY.

Mr. BROWN of New York with Mr. CHANDLER of New York.

Mr. STRINGER with Mr. PROUTY.

Mr. CALLAWAY with Mr. WILLIS.

Mr. KITCHIN with Mr. ROBERTS of Massachusetts.

Mr. JACOWAY with Mr. HULINGS.

Mr. IGOE with Mr. HINEBAUGH.

Mr. ESTOPINAL with Mr. FREAR.

Mr. BOWDLE with Mr. BROWNE of Wisconsin.

Mr. ADAIR with Mr. ANTHONY.

Mr. BYRNES of South Carolina with Mr. KREIDER.

Mr. GARNER with Mr. TEMPLE.

Mr. MCGILlicuddy with Mr. GUERNSEY.

Mr. WILSON of Florida with Mr. HAMILTON of New York.

Mr. BYRNS of Tennessee with Mr. HUGHES of West Virginia.

Mr. GLASS with Mr. HAYES.

Mr. BARTLETT with Mr. GILLET.

Mr. BELL of Georgia with Mr. CALDER.

Mr. BOOHER with Mr. COPLEY.

Mr. CANDLER of Mississippi with Mr. EDMONDS.

Mr. CARLIN with Mr. FARR.

Mr. DONOHUE with Mr. GRAHAM of Pennsylvania.

Mr. EDWARDS with Mr. GRIEST.

Mr. ELDER with Mr. MILLER.

Mr. FIELDS with Mr. LAFFERTY.

Mr. FINLEY with Mr. HAMILTON of Michigan.

Mr. HOUSTON with Mr. KEISTER.

Mr. HOWARD with Mr. KIESS of Pennsylvania.
 Mr. JOHNSON of South Carolina with Mr. MOORE.
 Mr. MORGAN of Louisiana with Mr. LINDQUIST.
 Mr. PADGETT with Mr. MORIN.
 Mr. PALMER with Mr. VARE.
 Mr. REILLY of Connecticut with Mr. MOSS of West Virginia.
 Mr. SMALE with Mr. MOTT.
 Mr. WALKER with Mr. PORTER.
 Mr. PATTEN of New York with Mr. SUTHERLAND.
 Mr. WEAVER with Mr. WALTERS.
 Mr. MOORE. Mr. Speaker, I desire to vote "no."

The SPEAKER. Was the gentleman in the Hall listening when his name should have been called?

Mr. MOORE. I was not.

The SPEAKER. The gentleman does not bring himself within the rule.

Mr. MOORE. May I be recorded as present, Mr. Speaker?

The SPEAKER. If the Chair needs a quorum, he will count the gentleman.

Mr. KEATING. Mr. Speaker, I am recorded in the negative. I am paired with the gentleman from Ohio, Mr. SHERWOOD. I desire to change my vote of "no" and answer "present."

The SPEAKER. The Clerk will call the gentleman's name.

The name of Mr. KEATING was called, and he answered "Present."

Mr. LANGLEY. Mr. Speaker, I desire to inquire if the record shows I am paired with my colleague, Mr. FIELDS? I did not hear it announced.

The SPEAKER. The proper way to find that out is to determine whether or not the gentleman is recorded. He is not recorded.

Mr. LANGLEY. I am not recorded, but I want to know if the record shows that I am paired with my colleague, Mr. FIELDS?

The SPEAKER. The Chair is informed that the gentleman is not paired.

Mr. LANGLEY. That was my understanding with the gentleman. He is absent and I am paired with him.

The SPEAKER. The Chair has nothing to do with that.

Mr. MCCOY. Mr. Speaker, is the gentleman from Oklahoma, Mr. CARTER, recorded?

The SPEAKER. He is not recorded.

Mr. MCCOY. Mr. Speaker, I have a pair with the gentleman. I wish to withdraw my vote of "aye" and answer "present."

The name of Mr. McCOY was called, and he answered "Present."

Mr. PARK. Mr. Speaker, I wish to know if the gentleman from Arkansas, Mr. GOODWIN, voted?

The SPEAKER. He is not recorded.

Mr. PARK. I wish to withdraw my vote of "aye" and answer "present."

The name of Mr. PARK was called, and he answered "Present."

The result of the vote was announced as above recorded.

Mr. FITZGERALD. Mr. Speaker, I move that the House further insist upon its disagreement to Senate amendment numbered 146.

The SPEAKER. The gentleman from New York [Mr. FITZGERALD] moves that the House further insist on its disagreement to Senate amendment numbered 146, which the Clerk will report.

The Clerk read as follows:

The Government Exhibit Board, for which provision was made in the sundry civil act approved June 23, 1913, shall, after consultation, by correspondence or otherwise, with the heads of the executive departments and the Regents of the Smithsonian Institution, the Isthmian Canal Commission, the Interstate Commerce Commission, the Civil Service Commission, the Commissioners of the District of Columbia, the American National Red Cross, the Commission of Fine Arts, the Librarian of Congress, the Public Printer, the Governor of Porto Rico, the Governor of Alaska, the Governor of Hawaii, and the United States Geographic Board, determine the nature, character, and extent of the exhibits of the United States Government to be made at the Panama-Pacific International Exposition, to be held at San Francisco, Cal., in 1915, and shall be charged with the selection, purchase, preparation, safe-keeping, exhibition, and return of such articles and materials as said board may decide shall be exhibited; and the said board is empowered to select, purchase, and exhibit articles or materials representing the activities of any department, office, commission, or organization named in this paragraph.

The SPEAKER. The question is on the motion of the gentleman from New York to further insist on its disagreement to the Senate amendment just read.

The question was taken, and the motion was agreed to.

Mr. FITZGERALD. Mr. Speaker, I move that a conference be asked of the Senate.

The SPEAKER. The gentleman from New York moves to ask for a conference.

The question was taken, and the motion was agreed to.

The SPEAKER announced the following conferees: Mr. FITZGERALD, Mr. SHERLEY, and Mr. MONDELL.

LEAVE OF ABSENCE.

The SPEAKER. The Chair lays before the House the following personal request:

Mr. GARNER requests leave of absence for Mr. RAYBURN, indefinitely, on account of death in his family.

The SPEAKER. Without objection—

Mr. MANN. Mr. Speaker, what is the request?

The SPEAKER. The request is for leave of absence for Mr. RAYBURN, on account of death in his family. Is there objection? [After a pause.] The Chair hears none.

CONFERENCE REPORT—GENERAL DEFICIENCY BILL.

Mr. FITZGERALD. Mr. Speaker, I call up the conference report on the general deficiency bill and ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. The gentleman from New York [Mr. FITZGERALD] calls up the conference report on the general deficiency bill and asks unanimous consent that the statement may be read in lieu of the report. Is there objection? [After a pause.] The Chair hears none, and the Clerk will read the statement.

The statement was read.

The conference report and statement of the House conferees are as follows:

CONFERENCE REPORT (NO. 1003).

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 17824) making appropriations to supply deficiencies in appropriations for the fiscal year 1914 and for prior years, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 62, 101, 117, 119, 120, 125, 128, 129, 130, 131, 132, 133, 134, 138, 139, 144, 145, 146, 147, and 150.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 121, 122, 123, 124, 126, 127, 135, 140, 141, 142, 143, 148, 151, 152, 153, 154, 155, 156, and 157, and agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows: In line 2 of the amendment strike out the word "continuation" and insert the word "commencement"; and the Senate agree to the same.

Amendment numbered 118: That the House recede from its disagreement to the amendment of the Senate numbered 118, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "\$4,393.51"; and the Senate agree to the same.

Amendment numbered 136: That the House recede from its disagreement to the amendment of the Senate numbered 136, and agree to the same with an amendment as follows: On page 29 of the bill, after line 7, insert the word "Senate," and in lieu of the matter inserted by said Senate amendment insert the following:

"For employees of the Committee on Expenditures in the Department of Labor from July 1, 1914, to June 30, 1915, both dates inclusive, as follows: Clerk, \$2,220; assistant clerk, \$1,440; messenger, \$1,200; in all, \$4,860."

And the Senate agree to the same.

Amendment numbered 137: That the House recede from its disagreement to the amendment of the Senate numbered 137, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"The Secretary of the Senate is authorized and directed to pay from the appropriations for salaries to clerks, messengers, and others in the service of the Senate, for the fiscal year 1913, the following: To James M. Porter, at the rate of \$2,000 per annum, from March 26 to April 6, 1913, and Nettie K. de Freitas, at the rate of \$1,200 per annum, from March 26 to April 14, 1913, as clerk and stenographer, respectively, to Senator SHERMAN.

And the Senate agree to the same.

Amendment numbered 149: That the House recede from its disagreement to the amendment of the Senate numbered 149,

and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"To reimburse the official reporters of debates for moneys actually and necessarily expended by them to June 30, 1914, \$3,000."

And the Senate agree to the same.

Amendment numbered 158: The committee of conference have been unable to agree on the amendment of the Senate numbered 158.

JOHN J. FITZGERALD,
T. U. SISSON,
FREDK. H. GILLET,
Managers on the part of the House.

THOMAS S. MARTIN,
N. P. BRYAN,
J. H. GALLINGER,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 17824) making appropriations to supply deficiencies in appropriations for the fiscal year ending June 30, 1914, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the conference committee and submitted in the accompanying report as to each of the said amendments, namely:

On amendment No. 1: Strikes out the appropriation proposed by the Senate of \$82,975 to reimburse certain insurance companies for losses paid on certain property in Hawaii destroyed by the Government in suppressing the bubonic plague.

On amendments Nos. 2 to 61, 63 to 100, and 102, to 115, inclusive: Appropriates, in all, \$1,038,685, as proposed by the Senate, for sites or sites and commencement of public buildings within their respective authorized limits of cost as recommended in estimates submitted by the Treasury Department in Senate Document No. 551.

On amendments Nos. 62 and 101: Strikes out the appropriations proposed by the Senate of \$20,000 and \$7,500 for the public buildings at Martinsburg, W. Va., and Spanish Forks, Utah, respectively, the same not being recommended as necessary at this time or estimated for by the Treasury Department.

On amendment No. 116: Inserts the provision proposed by the Senate authorizing the Secretary of the Treasury, in his discretion, to waive, in cities and towns of less than 10,000 population, the requirements of law providing that sites for public buildings shall face on two streets.

On amendment No. 117: Strikes out the appropriation of \$75,000 proposed by the Senate for furniture for the public building in Boston, Mass.

On amendment No. 118: Appropriates \$4,393.51 for the Revenue-Cutter Service.

On amendments Nos. 119 and 120: Strikes out the appropriations proposed by the Senate of \$5,000 each for aid to the blind and for the library for the blind in the District of Columbia.

On amendment No. 121: Appropriates, as proposed by the Senate, \$100,358.05 to pay the American Surety Co., of New York, the amount of a judgment in its favor rendered June 19, 1914.

On amendment No. 122: Appropriates, as proposed by the Senate, \$5,000 to pay for legal services rendered in connection with acquirement of land at Front Royal, Va., for remount station.

On amendment No. 123: Authorizes payment of salary of \$1,000 for one year to the secretary of the Lincoln Memorial Commission.

On amendment No. 124: Appropriates \$75,000, as proposed by the Senate, to erect a monument to the memory of Francis Scott Key and the soldiers and sailors who participated in the Battle of North Point and the attack on Fort McHenry in the War of 1812.

On amendment No. 125: Ratifies action of the Secretary of War in transferring submarine mines and appliances from stock on hand for use in continental United States for protection of harbors in the Philippine Islands, as proposed by the House.

On amendments Nos. 126 and 127: Authorizes credit of \$1,000 in accounts of the disbursing clerk of the Interior Department and appropriates \$51.07 to pay a transportation account of the Department of Justice, as proposed by the Senate.

On amendments Nos. 128, 129, 130, 131, 132, and 133: Strikes out appropriations, proposed by the Senate, of \$25,000 for the fish hatchery at Saratoga, Wyo.; \$4,500 for the fish hatchery at Baker Lake, Wash.; and two claims of \$25.10 and \$121.42 arising under the Coast and Geodetic Survey.

On amendment No. 134: Strikes out the provision, proposed by the Senate, authorizing the use of the miscellaneous fund of the Bureau of Labor in the employment of temporary personal services.

On amendments Nos. 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, and 150, all relating to the Senate: Appropriates for certain expenses of that body, as proposed, except the following, which are stricken out: Additional payment for 60 days to employees of the Committee on Revolutionary Claims, and payments to certain persons for extra or additional services, amounting in all to \$2,667.83.

On amendments Nos. 151, 152, 153, 154, 155, 156, and 157: Appropriates for payment of certain judgments of the United States courts, Court of Claims, and amounts found due by accounting officers of the Treasury, all duly certified to Congress subsequent to the passage of the bill by the House.

The committee of conference have been unable to agree on amendment No. 158, to pay not exceeding \$175,000 on account of claims for longevity and other allowances of certain Army officers under the act of July 6, 1914.

JOHN J. FITZGERALD,
T. U. SISSON,
FREDK. H. GILLET,
Managers on the part of the House.

Managers on the part of the House.

The SPEAKER. The question is on agreeing to the conference report.

Mr. DUPRÉ. Mr. Speaker, I would like to ask the gentleman from New York a question about amendment No. 121, proposing to pay the American Surety Co. something like \$100,000.

Mr. FITZGERALD. The House receded from that.

Mr. DUPRÉ. The House receded from that? I believe the amendment was inserted by the Senate.

Mr. FITZGERALD. The House agreed to the amendment.

Mr. DUPRÉ. Why have the House managers agreed to it? I would like to know something in regard to it.

Mr. FITZGERALD. Mr. Speaker, the American Surety Co. was the defendant in an action brought by the United States against it as surety on a bond. Judgment was rendered against the surety company for \$100,358.05, and the American Surety Co. paid that sum over to the Government under protest, and an appeal was taken from the judgment rendered. The United States Supreme Court reversed the judgment and directed that there should be a new trial. Upon the matter being presented again to the district court the petition of the Government was dismissed. Under these circumstances, the money having been paid in satisfaction of a judgment which has been overturned and the petition of the United States having been dismissed, it seemed to the managers upon the part of the House that the company was entitled to have this money back; and particularly is that true since no attempt has been made to make any allowance for interest during the time the money has been in the possession of the United States.

Mr. DUPRÉ. I will ask the gentleman, if he will permit me, why he considers this a proper item to put in a deficiency bill?

Mr. FITZGERALD. Under the circumstances stated I think we should give this money back to the company. I understand there had been some objection from some sources because there is a controversy about the compensation to some attorneys in the litigation, but that is a matter to be determined between the attorneys and the company. It is a company which paid into the Treasury the amount of a judgment rendered against it. The Supreme Court reversed the judgment, and upon a retrial the petition was dismissed and the Solicitor General of the United States states that the money should be returned to the company. It is our duty to return it as speedily as possible.

Mr. ALLEN. Will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. ALLEN. The company took the precaution to preserve its rights by its protest.

Mr. DUPRÉ. Since the gentleman adverted to the question of attorneys' fees I will say that this litigation was initiated in my State of Louisiana and that I am familiar with it, and I think the return of the money is perfectly proper under these circumstances, but the American Surety Co. received from the Sandstone & Gravel Co., on which it was a bondsman, certain sums of money and certain bonds as indemnity and now refuses to adjust its affairs with its principal, and under those circumstances it did seem to me that the rights of other persons in interest should be protected. The Government, in restoring this money to its lawful owners, ought to see that it goes to the lawful owners and not simply to the surety company.

Mr. FITZGERALD. But the trouble is that we can not determine such conflicting claims. Of course, the defendant in the action who paid the money was the American Surety Co. I doubt if Congress is able to determine the questions which may arise between the surety company and the persons for whom it acts as surety. The question of adjusting such rights is hardly a thing which can be done by Congress.

Mr. DUPRÉ. Yet in view of the fact that such a condition exists, it occurs to me that there is no necessity for such haste in attaching this amendment to the general deficiency bill and asking the House here, without any knowledge of the subject, to acquiesce in the amendment.

Mr. FITZGERALD. Well, in view of the facts in the case and the statement of the Solicitor General of the United States that the money should be paid back to the company, and the fact that it is proposed to give it back to them without interest during the period it has been in the possession of the Government, it seems to me we are not doing anything too much for this company. We have no right to the money.

Mr. DUPRÉ. May I ask the gentleman where the hearings were? Were they before the House Committee on Appropriations?

Mr. FITZGERALD. There were no hearings before the committee. This information was obtained by the managers upon the part of the House before we consented to agree to the amendment, and the agreement was upon the representations upon the part of the Department of Justice that in its opinion the money should go back.

Mr. DUPRÉ. It seems to me they are displaying great consideration for this company—

Mr. FITZGERALD. I think not.

Mr. DUPRÉ. While ordinary claimants have to knock at the doors of the Congress for a long time.

Mr. FITZGERALD. If I had paid money under judgment to the Government and the courts had finally determined that the judgment was erroneous and that the Government was not entitled to the money, the least I could expect would be to get it back as quickly as possible, particularly if I were not to be paid interest for the period during which the Government had possession of the money.

Mr. DUPRÉ. I know there are many claims as meritorious as this that have never been engrafted on a bill of this character and put through the House in this way. I do not mean there is anything shady about this claim, of course.

Mr. FITZGERALD. I think the gentleman is mistaken. The general deficiency bill carries all judgments against the Government. Now, what is this item? If it be not a judgment against the United States, then the company is not entitled to this money. It was paid pursuant to judgment rendered by the court. This bill is filled with items of judgments of the United States courts, judgments of the Court of Claims, judgments in Indian depredation claims, and audited and certified claims. Those are items that properly belong on this bill. There is no question but that this company is entitled to the return of this money from the Government. As to any dispute that may arise or may exist, or any claim that may properly be made against the company by some one who is not involved in the matter between the Government and the company, we have no knowledge, and we attempt to avoid taking cognizance of it.

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

The SPEAKER. Will the gentleman from New York yield to his colleague?

Mr. FITZGERALD. I will.

Mr. OGLESBY. There has been no question raised as to the solvency of this company?

Mr. FITZGERALD. No. The managers on the part of the House insisted on knowing whether upon this decision of the lower court, by which the petition of the Government was dismissed, there was any question if upon appeal the Government might be successful. But the Solicitor General of the United States had notified the Senate that the money should be returned to the company. The American Surety Co., I suppose, is among the most solvent surety companies in the United States. There can be no question that if the Government has any claim against it for \$100,000 it is amply able to meet it. We have taken their money under a judgment and we have held it. The courts have decided they should not have paid it, and we are returning it to them, and we are not giving them any interest for the period during which they have been deprived of the use of the money.

Mr. OGLESBY. And even if the Government should act as a ward for these other claims, since the company is perfectly

solvent, it would be only a matter of holdup on their part to compel a settlement with the company?

Mr. FITZGERALD. I would not want to go that far. I think if there is a dispute now as to whether the American Surety Co. or somebody else is actually entitled to this money, under the procedure in the District of Columbia that can be determined and the money impounded while the question is being litigated.

Mr. TREADWAY. Will the gentleman yield?

The SPEAKER. Does the gentleman from New York yield to the gentleman from Massachusetts?

Mr. FITZGERALD. I yield.

Mr. TREADWAY. I would like to ask the conferees in regard to amendment No. 117, adopted by the Senate, which has been stricken out of the conference report. It is for furniture equipment of the new customhouse in Boston, \$75,000. This item was inserted by the Senate owing to the fact that the building is practically completed and will be ready for occupancy by January 1. I would like to inquire why this item is stricken out, which was inserted with the idea of securing steel furniture for the new building and having it ready by the time the building is to be occupied on January 1.

Mr. FITZGERALD. The House conferees insisted upon that item being eliminated because the sundry civil appropriation bill carries \$825,000 for furniture and repairs to furniture for public buildings.

Mr. TREADWAY. May I ask, Mr. Speaker, whether in this \$825,000 any part is estimated for the furnishing of the Boston customhouse?

Mr. FITZGERALD. I am unable to state. It can be spent upon any building that is to be furnished, and as much spent upon any building as desired. The committee does not believe it is good policy to insert special items for special buildings. Last year a request was pressed very hard for a specific appropriation of \$150,000 to furnish the New York post office, then recently completed.

The Committee on Appropriations insisted that the general appropriation for furniture be used for that purpose. That building was furnished out of the general appropriation without making the special appropriation of \$150,000. There is no reason that can be advanced for a singling out of some particular building for a specific appropriation for furniture. Eight hundred and twenty-five thousand dollars is carried in the sundry civil bill, and can be spent upon any building, and as these buildings become ready for furniture the department will proceed to furnish them. There is another objection to appropriating specifically for any building. I suppose the most indefensible expenditure of public money that has ever come under my observation has been for the furnishing of the customhouse in the city of New York. The character of the furniture and the price paid for it were absolutely without justification. If a specific sum be appropriated for a particular building for furniture, the department officials seem to proceed upon the theory that it is their duty to expend the entire amount for the furniture, and the character of the furniture is determined by the amount of money placed at their disposal. An effort has been made and has been successful, and it is being perfected from year to year, by which furniture in public buildings shall be standardized and suitable furniture for public offices shall be installed in all public offices of the same character. There is furniture in the New York customhouse that would be creditable to the palaces of any of the effete monarchs of Europe, and it is so wholly out of place in a public office of the United States that it arouses the indignation of everyone who sees it.

We did not wish to have a repetition of that situation at any place in the United States. If \$75,000 is needed to furnish the Boston customhouse, it can be spent out of the \$825,000 general appropriation. If \$100,000 be needed, it can be spent out of that appropriation. Whatever sum is necessary is available for that purpose.

Mr. TREADWAY. Has the gentleman any information as to how the department reaches the conclusion making the figures \$825,000, and whether or not in that estimate Boston is included?

Mr. FITZGERALD. They really asked for \$1,000,000. Last year they asked for \$900,000 in the general appropriation and \$150,000 additional for the post office at New York City. They succeeded in furnishing the New York post office out of the \$900,000 without any specific appropriation, and in view of the fact that there was no other building coming into commission that would require furniture of such an expensive character, the committee believed that with the observance of proper economy the department would probably have all the money it required,

or so nearly so that whatever additional money might possibly be required could, upon proper showing made, be provided in the deficiency bill at the next session of Congress without delaying in any respect any building. The next session of Congress adjourns on the 4th of March, and there will be three months from that time during which expenditures will be made on public buildings.

Mr. PHELAN. Mr. Speaker, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. PHELAN. I would like to ask one question in the same connection. There is nothing to prevent the Treasury Department from spending anything that is necessary under the \$825,000?

Mr. FITZGERALD. They can spend all of it if necessary. The appropriation is for that purpose. It is to furnish public buildings; and they will be furnished when they come into commission.

It is suggested that unless a special appropriation is made for the Boston customhouse it will be permitted to stand idle, unfurnished, because while it is ready for occupancy the money will be needed for some buildings to come into commission in May or at some other time. I can not assume that the business of the department will be conducted in such an idiotic manner. I believe the money will be expended for the furniture that is required; and if not enough money has been given, Congress will do what has been its custom—give the requisite money when the time comes.

Mr. BROWN of West Virginia. Mr. Speaker, may I ask the gentleman as to the Martinsburg, W. Va., item, on page 11, Senate amendment numbered 62? There is an appropriation there of \$20,000 to install an elevator. This is a very antiquated building, of old style, and really the people there ought to have a new building. The department is very anxious to have an elevator constructed to the fourth floor, where they now have to climb up flights of stairs. I think it a meritorious case. The gentleman will find it on page 11, amendment 62.

Mr. FITZGERALD. Mr. Speaker, there were two public-buildings items included in this bill by the Senate which have not been agreed to. One is for the building at Martinsburg, W. Va., referred to by the gentleman from West Virginia [Mr. BROWN]. It was not agreed to because no estimate had been submitted for it. The Assistant Secretary of the Treasury in charge of public buildings said that it was not needed, and if it were appropriated it could not be expended.

The first reason was sufficient for the Members of the House; that is, that it could not be expended, because it could not be reached in the order of the arrangement to be followed in time to be used next December. There are some 20 items, in which is included the Martinsburg item, which in all probability will be requested at the session of Congress that commences in December.

Mr. BROWN of West Virginia. I am very glad of that. It is an appropriation that is badly needed.

Mr. FITZGERALD. I have no doubt that the situations as to some of these buildings are perhaps somewhat pressing. The policy of the Committee on Appropriations has been one that is absolutely fair to all of the Members of the House. That policy is to give all of the money requested by the department for public buildings and sites which the department says can be used before the next bill becomes a law, and to insist that no other items be placed in the bill. If an item be placed in the bill at the request of one Member or one Senator, it is an injustice to everyone else who has items that can not be inserted, and it causes confusion and embarrassment and difficulty. We try to be absolutely fair in the manner in which we recommend these items.

Mr. SMITH of New York. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman from New York yield to his colleague?

Mr. FITZGERALD. I do.

Mr. SMITH of New York. I would like to ask my colleague from New York why the two items on pages 22 and 23, amendments numbered 119 and 120, were eliminated? These are the items that make appropriations of \$5,000 in each case for the Association for the Blind in the District of Columbia.

Mr. FITZGERALD. They were eliminated because it has been the policy not to have the general deficiency bill or urgent deficiency bill used as courts of appeal from other committees. These items were included in the District of Columbia appropriation bill by the Senate. They were considered by the conferees, by the representatives on the part of the House who had charge of the District of Columbia appropriation bill, and they insisted that these items be eliminated. The representatives on the part of the House on the District bill were the men most

familiar with the situation. When the same amendments were placed on the deficiency bill the managers on the part of the House took the position that the matter had been settled and that we would not carry on this bill items for the current service of any department of the Government that had already been passed upon and determined by those in charge of the bills to which they properly belong if they should be appropriated for at all. For that reason the items were eliminated.

Mr. Speaker, I ask for a vote.

The SPEAKER. The question is on the adoption of the conference report.

The conference report was agreed to.

Mr. FITZGERALD. Mr. Speaker, there is but one amendment undisposed of in this bill. It is amendment numbered 158, and I ask that the Clerk be directed to report the amendment.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

Amendment 158, page 59, line 23: "The accounting officers of the Treasury are hereby directed to adjust, settle, and pay, out of any money in the Treasury not otherwise appropriated, not to exceed in all the sum of \$175,000, to officers of the Army, their heirs or legal representatives, pay as commutation for longevity rations, or other pay or allowances that may be due said officers, their heirs or legal representatives, under the decisions of the Supreme Court of the United States, any statute of limitations to the contrary notwithstanding, which claims have been heretofore barred from adjustment and settlement by section 3480, United States Revised Statutes, repealed by act of Congress approved July 6, 1914."

Mr. FITZGERALD. Mr. Speaker, I move that the House further insist upon its disagreement.

The SPEAKER. The gentleman from New York moves that the House further insist upon its disagreement to the amendment just read.

Mr. UNDERWOOD. Mr. Speaker, I think this is an amendment that ought to be concurred in. I do not like to differ with the chairman of the committee, but I think the House should understand this amendment, and I think it ought to be concurred in. I would like to make the preferential motion that the House recede and concur.

The SPEAKER. The gentleman from Alabama [Mr. UNDERWOOD] makes the preferential motion that the House recede and concur in the amendment just read.

Mr. MANN. Mr. Speaker, will the gentleman yield? Does the gentleman from Alabama want some time?

Mr. UNDERWOOD. I would like to have five minutes, unless I have to yield to somebody for reply. Then I may ask the gentleman later on for more time.

Mr. FITZGERALD. I yield to the gentleman from Alabama. Mr. UNDERWOOD. Mr. Speaker, as I understand this proposition it is this: A number of years ago Congress passed a law that allowed officers in the United States Army additional pay for each five years of their service in the Army. It was contended that the service at West Point should be included in the five years, which contention was contested by the comptroller or by one of the departments. The case went on appeal to the Supreme Court of the United States, and the Supreme Court of the United States decided that the four years at West Point should be included in the time of service for the allowance of this pay. Under that decision a large number of officers in the United States Army received their additional compensation, based on the four years' service at West Point. I am informed that the amount that was paid out for that reason amounted to something like a million dollars.

Now, Mr. Speaker, there were certain officers in the United States Army who resigned while this question was pending in the Supreme Court, and after resigning from the United States Army joined the Confederate Army. Of course when the decision was rendered they were ineligible to make a claim by reason of section 3480 of the Revised Statutes, which prohibited any officer who resigned from the United States Army to enter the Confederate Army from making any claim of this kind. But within the last month the House has passed a bill, on the motion of a distinguished gentleman who occupies a seat on the other side of the House and who made one of the most eloquent pleas to this House that I have ever listened to. This bill authorizes these soldiers, their heirs or their widows, to make the claim under existing law; that is, that an officer who served at West Point and subsequently resigned and went into the Confederate Army shall for his service before he resigned be placed on the same footing as his brother officers in the United States Army. There can be no question about what Congress intended, because here is the report made by the gentleman from Pennsylvania [Mr. GRAHAM] when he presented this bill to the House, in which report he says:

In the passage of this bill there is no question of opening up any other claims—

That is, no other claims except these claims of officers who resigned—

Nothing will be opened up by the repeal of section 3480 by the language of the proposed act except certain claims which can be presented to the Office of the Auditor for the War Department covering pay due some 173 persons accruing prior to April 13, 1861. These persons were West Point graduates, who were afterwards officers in the Confederate service. The claims total about \$165,000.

Now, this proposition does not ask Congress to decide the case. Congress in its liberality and in its justice has already decided the case. It does not come from this side of the House. It does not come from the South, but comes, as I say, on the motion of a distinguished Member of this House and a member of the Republican Party. Mr. GRAHAM of Pennsylvania, on whose motion the Congress itself has already decided that these claims shall be paid.

Now what is there to be determined? There is only to be determined the question whether the man was at West Point and was in the Union Army. That is a matter of record. There can be no dispute about it one way or the other. The only other question is the amount of additional pay that he should receive by decision of the Supreme Court of the United States, which amount his brother officers who served with him have already got, and that is only a question of an auditor figuring the amount. Now, it can not embrace anybody else. As the gentleman from Pennsylvania [Mr. GRAHAM] points out, it can only embrace these men. The only thing to be determined is a question of record fact, as to the length of the man's service, and whether he was in the Army.

Now, you may answer that and say that when this fact is ascertained it will be time for Congress to make the appropriation; and possibly in an ordinary case that might be true. But as the gentleman from Pennsylvania [Mr. GRAHAM] said in his eloquent speech, this act wiped out the last barrier that stood between the South and the North. This bill passed, not by a partisan vote, not by partisan efforts, not as the result of some claims lobby, but by the unanimous vote of a Congress that wanted to say that there is but one flag and one country. Now, after Congress has written this law on the statute book, it is only a question as to whether we shall pay these old soldiers or their widows to-day or next December, when the auditor has ascertained their names and figured up the amounts. Whether we shall pay them then or pay them to-day is the only question which confronts Congress.

The SPEAKER. The time of the gentleman has expired.

Mr. FITZGERALD. I yield to the gentleman five minutes more.

Mr. UNDERWOOD. They can not receive this money until the auditor ascertains the facts; and there is some reason why they should get it to-day instead of next winter, because many of them have reached that point in life when the span of their days may be measured between the adjournment of this session and the meeting of the next. It is only a few hundred dollars apiece. It does not amount to much. But these few hundred dollars may be of inestimable value to these old soldiers, or to their widows, in their declining days. Why should we hesitate now, when we have already determined that we will pay the amount? Why withhold it, when under the law that we passed we must pay it next fall?

Let me call attention to some of the distinguished officers who, although they may not have served on the side that this House recognized during the war between the States, yet bear names and places in history cherished by every American citizen, no matter on which side of that controversy his allegiance may have fallen. Every American citizen cherishes their names and their memories as worthy of American manhood, and as soldiers whose reputations are untarnished and whose names will live in the history of the people of our Republic. [Applause.]

The soldiers whose heirs will receive a few hundred dollars from this appropriation are Gen. Robert E. Lee, of Virginia; Gen. P. G. T. Beauregard, of Louisiana; Gen. J. E. B. Stuart, of Virginia; Gen. Dick Ewell, of Virginia; Gen. Joseph Wheeler, of Alabama; and Gen. Fitzhugh Lee, of Virginia; and the widows of Gen. "Stonewall" Jackson, of North Carolina; Gen. Simon Buckner, of Kentucky; Gen. Bell, of South Carolina; and Gen. A. P. Hill, of Virginia.

Mr. Speaker, a recital of those names is sufficient, in my judgment, to authorize the passage of the appropriation; and I think that, now that Congress has passed a just law in recognition of the wiping out of the past, Congress should not hesitate at this time to make this appropriation and let these old soldiers and their widows have these few hundred dollars that may not reach them if we postpone action in this matter. [Applause.]

Mr. FITZGERALD. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. MANN].

The SPEAKER. The gentleman from Illinois [Mr. MANN] is recognized for 10 minutes.

Mr. MANN. Mr. Speaker, if I understood this case as the gentleman from Alabama [Mr. UNDERWOOD] does, I should be for his proposition. But unfortunately he has had his attention attracted to this matter only recently, and he is now favoring the proposition upon the theory that this measure is to do justice only to certain Confederate soldiers who had been officers of the United States Army. That is not the case at all. Let me very briefly endeavor to outline what is before the House. In 1838 Congress passed a law providing for longevity pay, providing that officers in the Army who had served five years should have their pay increased 10 per cent, and an increase of 10 per cent for each five years of service until the increase amounted to 40 per cent. That is still the law. That law was passed in 1838. It was construed by the Government for many years, and no change in the construction was made until the eighties. We had a military academy at West Point where the Members of Congress sent cadets. The Government paid the expenses of the cadets. After four years at the Military Academy—and the same thing is true after six years' service at the Naval Academy—the boy came out of the academy and received a commission in the Army or the Navy.

The department construed the law to be that the date of service commenced when the commission was granted, after he came out of the Military Academy, and did not count the four years of service at the Military Academy, or the six years of service at the Naval Academy in determining the longevity pay.

In other words, if the six years of service at the Naval Academy was to be included as service in the Navy, when the boy received his commission as an ensign he was already entitled to his first longevity pay, an increase of 10 per cent over the amount provided by law, on the ground that he had been more than five years in the service.

This was the construction of the department and the Government from 1838 until along in the eighties. It never was questioned. The Government said that the service in the Army and the Navy upon which to compute longevity pay did not begin when the boy entered the academy, but began when he came out and went into the Army or the Navy. To an ordinary man that would seem like a sensible construction. But some genius in the course of time conceived the idea that the military and naval service commenced when the boy entered the academy, and a claim was made against the Government, which went to the Supreme Court of the United States, and the Supreme Court decided that the service did commence when the boy entered the academy and that longevity pay was to be computed accordingly. In other words, the boy who came out of the Military Academy received his 10 per cent increase after he had been in the Army one year instead of five years, computing the four years at West Point; and in the Navy it commenced at once, because he had already been five years in the service of the Navy.

Congress changed that law recently and said that the service at West Point should not count in fixing longevity pay. When the Supreme Court made this decision all of the officers who were in the service practically filed their claims in the Court of Claims and received the allowance for the increase of longevity pay which had occurred within six years, as under the law the statute of limitations barred all claims more than six years old. Ever since that time these claims have been floating around Congress. The Senate has on more than one occasion put these claims upon the omnibus claims bill. They never have received a vote in the House on any previous occasion. No one has ever defended them in the House. The Senate sent a lot of these claims to the Court of Claims for findings, and the court made the finding of facts that the man entered the service at a certain time, was in the service a certain length of time, and that if the decision of the Supreme Court was to be followed by Congress his increase in longevity pay would be so much.

These claims are not confined to the Confederate officers who have been in the Army of the United States. They apply to all officers who have been in the Army at any time, and by like comparison are applied to all officers who have been in the Navy. The gentleman from Alabama [Mr. UNDERWOOD] believes that the claims only apply to these Confederate officers.

Mr. UNDERWOOD. I will ask the gentleman, if he will allow me—I would not mislead anybody—

Mr. MANN. I know the gentleman would not, and I am coming to what I think is in the gentleman's mind.

Mr. UNDERWOOD. This proposition is limited to officers who are affected by section 3480, and only Confederate officers can be affected by that statute.

Mr. MANN. We recently passed a law repealing section 3480 of the Revised Statutes. That section did not as a matter of fact bar any of these claims, but some of the very shrewd claim

agents who have been urging these claims for years thought that if they could repeal that statute, which was intended to shut out claims of Confederate soldiers against the Government, they could pursue the very course which is now being pursued, and commit the Government to the payment of these claims. I said to the gentleman from Pennsylvania [Mr. GRAHAM], who had this bill in the House, that it amounted to nothing, that it'd not do anything; but if anybody wanted to repeal any provision of the law that appeared to discriminate against the Confederate soldier I was quite willing to vote for that proposition.

Mr. BURKE of Wisconsin. Will the gentleman yield?

Mr. MANN. Yes.

Mr. BURKE of Wisconsin. When was the decision of the Supreme Court rendered to which the gentleman has referred?

Mr. MANN. It was some time, I think, in 1884. It is the United States against Tyler, One hundred and fifth United States.

Mr. BURKE of Wisconsin. When was the statute changed? I understood the gentleman to say that after the Supreme Court decision Congress passed a law providing that the service at West Point should not count.

Mr. MANN. The statute was changed in the last Congress.

Mr. GARNER. May I ask the gentleman whether the statute applied to the Naval Academy as well as to West Point?

Mr. MANN. We changed it as to the Military Academy, and I am not sure whether it was also changed as to the Naval Academy or not, but I think it was.

Mr. GARNER. It seems to me anomalous that it should be changed with reference to the Military Academy and not with reference to the Naval Academy.

Mr. MANN. The Military Academy was included in the Army bill from the Military Committee. I know the same proposition was before the Naval Committee, but I am not sure whether it was passed or not. It is not important except to show the opinion of Congress as to the ruling of the Supreme Court. This is one of the cases that is pending. You can not pay the Confederate soldiers who have these claims and refuse to pay the Union soldiers who have these claims, and while this proposition in this pending amendment. It is true, only pays the Confederate soldiers who had the claims, it is nonsense to say that we can do that and then refuse to pay the Union soldiers who had the claims. No one would claim that. No portion of the claims has yet been paid to anyone.

Mr. ADAMSON. Mr. Speaker, will the gentleman yield?

Mr. MANN. Certainly.

Mr. ADAMSON. As I understand the contention of the gentleman from Illinois, the act passed the other day at the instance of the distinguished gentleman from Pennsylvania [Mr. GRAHAM] did not enlarge or affect the rights of all these claimants, but merely removed such disabilities as had been imposed upon those claimants who had been in the Confederate Army.

Mr. MANN. That is all. Those people did not have any claim against the Government which could be enforced, because it was barred by the statute of limitations in any event; and the only way they could ever get their money is by a new provision of law authorizing its payment and waiving the statute of limitations, so that they are not in any different position by reason of the law passed the other day from what they would be in if this law were passed without the other law having been passed.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. FITZGERALD. Mr. Speaker, I yield the gentleman 10 minutes more.

Mr. SISSON. Mr. Speaker, will the gentleman yield?

Mr. MANN. Yes.

Mr. SISSON. The gentleman is familiar with section 3480 of the Revised Statutes passed in 1867?

Mr. MANN. Yes.

Mr. SISSON. Were all these claims barred at the time of the passage of that act?

Mr. MANN. Oh, these claims had not arisen at the time of the passage of that act. No one had dreamed of claims at that time.

Mr. SISSON. What I meant is the pay, for example, of an officer who resigned his commission in the United States Army and joined the Confederacy, having money due him at that time.

Mr. MANN. Oh, this has nothing to do with that.

Mr. SISSON. Those were the claims I had in mind.

Mr. MANN. This has nothing to do with that. This does not affect the pay that was due to the officer, except in the matter of the computation of the longevity pay.

Mr. SISSON. But that would be affected by the passage of this act in 1867.

Mr. MANN. Oh, it would have been affected then when the claims were alive, before the statute of limitations run, but they could not have been paid after the statute of limitations had run, and if we should enact a law to pay them, they would be paid regardless of section 3480.

Mr. SISSON. That would be true, irrespective of whether the claimant was a Confederate or Union soldier.

Mr. MANN. Yes.

Mr. SISSON. The question is whether this statute had barred the longevity pay in 1867.

Mr. MANN. There is no difference between this case and any other claim that the Government orders paid to an individual. Whenever the Government orders it paid, that statute is not effective.

Mr. SISSON. If the claims were not barred at the passage of this act, then this act operated as a bar?

Mr. MANN. It operated as a bar if they bring the claim before the accounting officers, but it did not operate as a bar before Congress. No one ever pretended that that section forbade Congress to provide for the payment of the claims. It applies only to the accounting officers and the officers of the Government.

Mr. SISSON. At that time I doubt whether the feeling would have permitted the passage of an act, however just the claim might be. The only question is whether or not they have been dealt with just as they would have been dealt with and as other claims have been dealt with.

Mr. MANN. Absolutely, that is all.

Mr. GARNER. Mr. Speaker, I understood the gentleman to make a statement a while ago that similar cases of this character had been put on in the Senate for Union soldiers.

Mr. MANN. I did not say Union soldiers. I do not think it has been confined to Union soldiers.

Mr. GARNER. Officers of the United States Army?

Mr. MANN. Yes.

Mr. GARNER. And that they had been universally refused by the House?

Mr. MANN. Yes.

Mr. GARNER. If the Congress permits these claims to be paid, I agree with the gentleman that we can not well resist similar claims offered by gentlemen who have not been incapacitated by their service somewhere else.

Mr. MANN. Undoubtedly.

Mr. OGLESBY. Mr. Speaker, will the gentleman yield?

Mr. MANN. Yes.

Mr. OGLESBY. After the United States Supreme Court decided that this longevity pay should apply from the entrance to the Military or Naval Academies, it was then too late, because the statute of limitations had run, to make any claim prior to 1867.

Mr. MANN. I endeavored to state a while ago that it was too late to succeed in any claim where six years had elapsed. This has nothing to do with 1867.

Mr. OGLESBY. So that no Union soldier collected anything which accrued prior to that time?

Mr. MANN. No.

Mr. OGLESBY. Therefore the Confederate soldiers are in no worse situation than the Union soldiers?

Mr. MANN. No Union soldier has ever collected a cent that was barred by the statute of limitations.

Mr. UNDERWOOD. But before it was barred they collected \$1,000,000.

Mr. MANN. They collected the million dollars only for the six-year period where the statute of limitations did not bar them, just prior to the decision of the Supreme Court.

Mr. DUPRÉ. Mr. Speaker, will the gentleman yield? My information is, I will state to the gentleman—

Mr. MANN. Ask me a question—well, go ahead.

Mr. DUPRÉ. I simply want to clear up the matter. My information is since 1907 a million dollars of claims of this character accruing to old soldiers have been paid.

Mr. MANN. Well, that is not true. There has been no money paid to any Union soldier for any service prior to 1875 on these claims.

Mr. WEBB. Mr. Speaker, will the gentleman yield?

Mr. MANN. I will.

Mr. WEBB. Since the decision of the Supreme Court of the United States in the case of Watson, handed down in 1889, wherein they say the time of the service in the Military Academy at West Point is to be reckoned as a part of the time an officer served in the Army, within the meaning of the act of July 5, 1838, and should be counted in computing the longevity

pay—I will ask if since that time these cadets have not been drawing this pay? What information has the gentleman on that point?

Mr. MANN. Of course the cadets do not draw longevity pay. The service at the Military and Naval Academies was counted as part of the five years in order to fix his increase of 10 per cent until a Democratic Congress—wisely, in my judgment—repealed that provision, changing it. [Applause.]

Mr. WEBB. Then, since the—

Mr. MANN. And did it without opposition, by the way.

Mr. WEBB. Since the rendition of this opinion, however, they have been entitled to it until a Democratic Congress repealed it.

Mr. MANN. Certainly. They received longevity pay from that time until Congress repealed the law in the last Congress based upon the proposition that their service at West Point and Annapolis was service in the Army and Navy, and they also, those who could, filed claims within the six-year limitation after the decision of the Supreme Court had been rendered, and if they had legal claims against the Government they were paid.

Mr. WEBB. Will the gentleman permit this question, as the gentleman seems to be remarkably familiar with the facts of the case: Up to the time the Supreme Court rendered the opinion in the Morton case in 1884, which is in line with the case I have referred to, had any officer ever applied for longevity pay based upon service at the Military Academy?

Mr. MANN. Of course some filed or there never would have been a case in the Supreme Court.

Mr. WEBB. Of course Mr. Morton did; but was there any general attempt?

Mr. MANN. There was not, and it never was even dreamed of, except some shrewd attorney got it up, and they probably worked the Supreme Court through social influence.

Mr. PAYNE. Did not a claim agent institute that proceeding and did he not claim he had done a great thing in originating it?

Mr. MANN. Now, for instance, the gentleman from Alabama [Mr. UNDERWOOD] seemed to believe—and I have no doubt of his good faith in the matter—that the only claims were Confederate soldiers who had been discriminated against. Here is a man who entered the Military Academy June 11, 1838, served continuously from that date until the date of his death, in September, 1847. This is a finding of the Court of Claims, and I have quite a large number of them. He received all the pay he thought he was entitled to. He knew what the law was; he received all the pay that Congress appropriated for him; he received all the pay that the Government thought he was entitled to. The question had never been raised. The Army thought it was very lucky, indeed, to have secured from Congress a law providing for a 10 per cent increase in pay every five years from entrance into the Army and the Navy and not from the entrance in the academy, and yet this man, dead since 1847, has a claim pending amounting to \$590.80. Of course, you would have supposed his longevity pay would have been lost entirely, because there is only 20 years to raise the 40 per cent between the time he went in the academy in 1838. I do not know how they figure it out, but they do. I have a large number of these findings here, not of Confederate soldiers but of Union and Confederate soldiers, of men who died years before the war commenced, of men who entered the service long after the war ceased—all of them have claims. Every officer who was in either the Army or Navy during the last century, who was in the Military or Naval Academy, had one of these claims. It is inevitable that they should have. They supposed they were getting the pay to which they were entitled. We supposed they were getting the pay to which they were entitled, and after they have died and passed away some claim agent worked up the claim for the estate. My friend from Alabama said, Pay these claims and let these poor—I will not say "poor"—but let these old soldiers have this money in their declining years. Well, I hold in my hand the omnibus claims bill of the last Congress, where there were a large number of these claims specifically inserted. Virginia Forse, administratrix; Flora A. Janes, administratrix; James M. Seawell, administrator; Julia E. Wilcox, administratrix; Edgar L. Swaine, administrator; Albert B. Greene, administrator; Lizzie F. Remington, administratrix; Catherine Du B. Beale, administratrix. That does not sound much like taking care of old soldiers in their declining years, and I have read them as they come. There are a great number of these claims specifically provided for in the omnibus section of the bill as a Senate amendment. Then the bill originally contained a general provision authorizing these claims for all officers in the Army.

Of course, if we allow them for the Army we must allow them for the Navy. When that bill came over to the House with the Senate amendments, attention was called to these claims. The gentleman from Tennessee [Mr. SIMS], who had charge of the omnibus claims bill, stated on the floor of the House that they never would be agreed to; that there was absolutely no justice in them. Now, I know what the social influence is. Old Gen. Mackenzie, one of the finest men I ever met, used to be Chief of Engineers, and has one of these claims. Old Gen. Marshall, one of the finest men I ever met, used to be Chief of Engineers, and has one of these claims. All of these old officers on the retired list living in Washington, and there are a number of them, who were in Annapolis or West Point, have these claims. I have met the social touch in connection with these claims myself, but not until I knew more about them than some of the gentlemen who have succumbed to the social influence. Now, as to the pending amendment, there can be no justification for it. That only appropriates money to pay those portions of the claims where the men had been in the Union Army or the Army of the United States, and resigned and went into the Confederate Army, without paying the claims of those who remained in the United States Army. The claims of the men who remained in the United States Army are still unpaid. I am not in favor of paying them.

The SPEAKER. The time of the gentleman from Illinois has again expired.

Mr. FITZGERALD. Mr. Speaker, I yield five minutes more to the gentleman.

Mr. OGLESBY. May I ask the gentleman a question?

Mr. MANN. Yes.

Mr. OGLESBY. I think I understand the gentleman, but I would like to put this question to him: If the Graham bill, which passed in July of this year, had been passed in 1884, at the time the Supreme Court rendered that decision, were there then any men who had gone into the Confederate Army who could have filed a claim? Were there any of those men who had a claim that had arisen within six years prior to that date?

Mr. MANN. There were not. If section 3480 had never been passed at all, not one of these claims could have been paid except by direct legislation or appropriation by Congress. So that section of the statute made no difference. It never affected our right to legislate or appropriate. That statute did not affect a thing. Some wise, bright claim agent got up the idea of repealing that statute, knowing it did not affect anything, but in order to work the sympathetic, patriotic racket on Congress. I think the statute ought to have been repealed. I do not think it has any place on the statute books now. But it has nothing to do, in fact, with these claims.

Now, we have always resisted these claims in the House of Representatives. No one knows how much they amount to.

It is proposed here to appropriate \$175,000 only to take care of the claims of the United States Army officers who resigned to go into the Confederate service. These claims cover a period from 1813, the date of entering the service, as I have just illustrated, down to the time of the decision of the Supreme Court of the United States. And if it takes \$175,000 to take care of all those officers who resigned from the United States Army to go into the Confederate Army, who can tell how much it will take to pay the claims of all of the officers who have been in the Army during all of these years? And, then, who can tell how much more it will take to pay similar claims of the officers of the Navy? We can not pay one of these claims without paying all of them. We have no right to discriminate. I would not discriminate against a Confederate officer, and I do not believe we ought to discriminate in his favor. The claim agents, if they can get one of these claims paid, know very well that justice and equity will require us to pay all of them. We might as well pay the claims of men whose property was destroyed by the flood. There never was any justice in the claims, and we never supposed they were to be paid. [Applause.]

Mr. FITZGERALD. Mr. Speaker, I yield five minutes to the gentleman from Alabama [Mr. UNDERWOOD].

Mr. UNDERWOOD. Mr. Speaker, the gentleman from Illinois is undoubtedly one of the most diligent men in this House in attending to his business, and he is usually accurate in the information which he furnishes to the House; but he has evidently made a very great mistake in presenting the facts to the House in reference to this question.

Now, the gentleman would lead you to believe from what he states that Congress has paid no claims of this kind to Union soldiers. As a matter of fact, since 1907 it has paid about \$1,000,000 worth of them. I hold in my hand just one bill, because I have not had a chance to get them all—a deficiency bill, approved March 4, 1913—and on page 26 of that bill, under "Claims allowed by the Auditor of the War Department for

pay, etc., of the Army," there is allowed \$23,354.02. And this was for longevity pay for northern officers since 1838. So the gentleman is in absolute error in his statement to the House that the officers of the northern army have not been paid these claims heretofore. I do not mean to say that there are not some pending now. That may be true, but that some of them have been paid is unquestionably a fact. That they have amounted in the neighborhood of \$1,000,000 is absolutely a fact. Now, I do not contend for one minute that you should pay these officers who served in the Union Army and resigned and went to the Confederate Army, and not pay other officers in the Union Army in a like manner, but you have been paying them, and are paying them, and last year's deficiency bill carried an item to pay some of these claims.

Now, when this repeal of section 3480 was passed here within the last month, what was the purpose for which it was repealed? It was not repealed to occupy an idle hour or to amuse Congress. It was repealed for the specific purpose, because the report said so, to give these very officers an opportunity to file these claims. No statute of limitations has debarred these officers. There is no laches on their part. They were barred by a statute that prohibited an officer who had been in the Union Army and entered the Confederate service from bringing a claim against the United States Government. There was no laches on their part, because they never had an opportunity to act until within the last 30 days. And if you want to repudiate your action of a month ago, if you want to say that these claims shall not be considered, that is another question. But to repudiate these claims on the basis that the officers in the Union Army have not been paid their longevity pay, where they filed their claims before the statute of limitations ran against them, is wrong, and that there have not been claims paid by this Congress to officers who did let the statute of limitations run against them is equally unjustified by the facts.

Mr. MANN. Will the gentleman yield to a question?

Mr. UNDERWOOD. Certainly.

Mr. MANN. Under what authority would the auditor have a right to audit a claim where the statute of limitations had run against it?

Mr. UNDERWOOD. He had the authority of Congress.

Mr. MANN. Where is the authority?

Mr. UNDERWOOD. I do not know that, but I refer the gentleman to a claim that is in a bill, where we did pay it.

Mr. MANN. That could only refer to audited claims.

Mr. FITZGERALD. The gentleman read something that was not in the bill. The statute expressly prohibits the certification of an audited claim for longevity pay except six years prior to the decision of the Supreme Court, and I have sent for the statute. These men could not have obtained any favors. It was a decision made in 1884.

Mr. MANN. The gentleman from Alabama was misled by some one. There is no such thing.

Mr. UNDERWOOD. I have the proposition here in my hand, in the act I have referred to: "For pay, and so forth, in the Army," of claims to the extent of over \$23,000 for longevity pay.

Mr. MANN. How does it read?

Mr. UNDERWOOD. "Claims allowed by the Auditor for the War Department for pay, and so forth, of the Army, \$23,354.02."

Mr. MANN. Claims allowed for pay of the Army. That has nothing to do with these old longevity claims.

Mr. UNDERWOOD. Those claims, I am informed, were for this very longevity pay.

Mr. MANN. The gentleman has been misinformed.

Mr. UNDERWOOD. I do not think so. I have the information from a source that I am satisfied with; and I know, further than that, that the officers in the Union Army, where there was no statute, were paid these longevity claims. Now, how can you, in any justice, say that laches or the statute of limitations applies, if you are going to pass a bill and wipe out the barrier that existed against those men? They had no chance to present their claims. How can you say laches or the statute of limitations ran against these men when you but yesterday opened the door to them to make their claim?

The SPEAKER. The time of the gentleman from Alabama has expired.

Mr. FITZGERALD. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman has 20 minutes.

Mr. MANN. Will the gentleman give me a few minutes more while he is looking up that reference?

Mr. FITZGERALD. I yield five minutes to the gentleman from Mississippi [Mr. Sisson].

The SPEAKER. The gentleman from Mississippi [Mr. Sisson] is recognized for five minutes.

Mr. Sisson. Mr. Speaker, the statute that was passed a few days ago, with which the Members of the House are familiar, repealed all of that portion of section 3480 which affected the right of an officer of the United States Army who resigned his commission in the Army and joined the Confederacy. The language repealed by that statute is this:

SEC. 3480. It shall be unlawful for any officer to pay any account, claim, or demand against the United States which accrued or existed prior to the 13th day of April, 1861, in favor of any person who promoted, encouraged, or in any manner sustained the late rebellion, or in favor of any person who during such rebellion was not known to be opposed thereto, and distinctly in favor of its suppression; and no pardon heretofore granted, or hereafter to be granted, shall authorize the payment of such account, claim, or demand until this section is modified or repealed.

Now, that statute was passed in 1867 for the purpose of preventing any Confederate officer, who was previously a Union officer, getting any pay which the Government of the United States owed him at the time of the beginning of the War between the States, which he had the right to prior to the 13th of April, 1861. The statute which was passed here the other day was passed for the purpose of enabling these officers to get that longevity pay which was due them at that time, together with pay and allowance they resigned, which they would have gotten if they had remained in the Union Army, because, as was argued on the floor here—which argument prompted the Members of this House in voting for the repeal and prompted the Members of the Senate—the accounting officers of the Government were not permitted to compute this pay and could not pay this money because of the existence of that old statute of 1867, section 3480, which was specifically repealed, and repealed for that purpose, and that purpose only. That is the object of that, and the item in this bill is for the purpose of enabling the officers of the Government to make the computation as to what was due these officers under the law at that time, just as if they had remained Union officers, and the appropriation does not do more than that. That is all that it does do, and in the passage of this appropriation in this bill it does not enable these people to do more than that. If the gentleman will get the appropriation act—

Mr. MANN. Mr. Speaker, will the gentleman yield there for a question?

Mr. Sisson. Yes; I yield.

Mr. MANN. If those officers were Union officers now, could they recover their claims now?

Mr. Sisson. Union officers?

Mr. MANN. Yes.

Mr. Sisson. Well, it is possible that the Union officer who, having no such statute barring him as the statute in section 3480, would be barred by the statute of limitations; but, as was stated the other day in the discussion of this repealing act, these men could not assert their claims. The accounting officers had no right to pay the claims. No officer in the Government could pay them. But every Union officer got his pay as it became due, without an exception.

Mr. MANN. The gentleman knows that most of these claims commenced long before the Civil War. I read one awhile ago of one officer.

Mr. Sisson. I understand that is bound to be true as it affects a Confederate officer. As the gentleman says, it must have happened before April 13, 1861, unless the officer re-enlisted in the Union Army after the Civil War, as, for example, in the Spanish-American War, and should have become an officer under the statute.

Mr. MANN. The statute of limitations would run if that had not been in the law at all.

Mr. Sisson. The statute of limitations would have run against these men if the doors had been open to them.

Mr. MANN. They were open before the war. They had the theoretical claim, but did not know it.

Mr. Sisson. The point in the whole matter is that those men who entered the Confederate service should be dealt with just as the Union officer. They were officers of the Army of the United States, and should have gotten what was due them when they resigned. They rendered the service to the Government up until they resigned. They should be put identically on the same plane. To do this they should be paid what was due them.

Now, I will state frankly to the gentleman that it is not my purpose or my aim or object to open up any floodgate, but irrespective of the question of whether or not it is a Union officer who went into the Confederate service, the only question in my mind is to have these men at this time, when we are all absolutely united, treated exactly like the others, and I do not believe the gentleman from Illinois [Mr. Mann] would have any other treatment accorded to those people. As I gathered from

what he said, that is the point he made in his speech—he wanted them to be dealt with alike. To do this, pay them what was due them on the date of their resignation.

Mr. MANN. But the gentleman knows that no Union officer has ever been able to receive one single cent for any time prior to April 13, 1861, and the claims of all these Confederate officers must have been prior to that time.

Mr. SISSON. That is what I am trying to make clear. They received it regularly under the law. It was paid as it became due. The statute of 1867 prevented any computation of any service rendered by a man who afterwards went into the Confederate service.

Mr. MANN. But the Union soldier at the same time could not secure any claim, because the statute of limitations debarred him. They were all before 1861.

Mr. SISSON. But they were all paid and could have no claim. These Confederate officers were not paid anything. The statute of limitations was suspended during the hostilities, during the actual war. But that is far from the point involved here. We simply say, pay these officers what was due them when they resigned. All Union officers, of course, got theirs. It was paid under the law as it fell due. If the statute ran against him after hostilities ceased, it would be laches on his part, for which he would be responsible; but if the statute stands in the way of a Union officer who afterwards joined the Confederacy, laches could not stand against him because of the statute which forbids the pay of what the Government owes him.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. MANN. But the Union soldier, having had a chance to make a claim—

Mr. SISSON. He would be able to press that now.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. FITZGERALD. I yield to the gentleman one minute more.

The SPEAKER. The gentleman from Mississippi is recognized for one minute more.

Mr. SISSON. I would be willing to do that, and the statute does exactly that. It treats the Union officer and is compelled to treat the Union officer who has not received his pay under this statute just as it would treat the officer under the Confederacy.

Mr. FITZGERALD. Mr. Speaker, this amendment provides for the payment of longevity claims of officers of the United States Army who left the United States Army and entered the Confederate service. No officer of the United States Army has received any allowance for longevity claims of this character during the period covered by this amendment. The only longevity claims of this character that have been paid are those for the six years prior to the decision of the United States Supreme Court. The adoption of this amendment means that men who were in the United States Army and who resigned from it to enter the Confederate Army are to be allowed these longevity claims, while no provision is made for men who were in the United States Army and remained in the Army and fought on the Union side.

This is the most ingenious amendment ever devised and presented to the House. Members of the House are not responsible for it; but the bright minds who devised it know that if this Congress provides that officers of the United States Army who resigned from that Army and went into the Confederate Army are paid these longevity claims an irresistible demand will arise that will open the Treasury to the millions of claims of the men who remained loyal to the Union and who were in the Army after the war and whose claims have been barred.

The gentleman from Alabama [Mr. UNDERWOOD] is wholly mistaken about the appropriations that have been made. I have in my hand House Document No. 1372, Sixty-second Congress, third session, which is the schedule of claims allowed by accounting officers, transmitted to Congress under date of February 10, 1913, and for which, under the head of audited claims, the deficiency bill carried \$23,354.02 for pay of officers, and so forth, of the Regular Army. The gentleman from Alabama stated that it included claims dated as far back as 1833, and in that he is mistaken.

Mr. UNDERWOOD. But that is what the record discloses, from which I got this information.

Mr. FITZGERALD. I believe the gentleman is mistaken, and I believe I can demonstrate it. The fiscal year in which the expenditure occurred is stated in this document opposite the names of the claimants, together with the amount of the claims. Every single expenditure in that schedule, covering three pages, was incurred in the fiscal year 1910 and in prior years. They

could not go back to a period antedating the six years prior to the decision of the United States Supreme Court, because they were claims of men in the Army in 1910, and none of them served before the war. For instance, in the general deficiency act in 1912 the sum of \$220,000 was appropriated for certified claims. Questions like this continually arise: An officer is promoted and his commission issued. A controversy arises as to the date from which his pay should commence in his new grade. Controversies arise as to allowances to which he is entitled, when assigned on different duties. Such matters go to the auditor, are adjusted and are certified for inclusion in the deficiency bill. I am informed by the clerk of the Committee on Appropriations, who is very accurate in his knowledge and who has a vast fund of information in reference to these matters, that a statute prohibits the auditor certifying any claims for longevity for any period prior to six years before the United States Supreme Court decision. Suppose section 3480 of the Revised Statutes had been repealed when the Supreme Court rendered its decision, or suppose that provision of the Revised Statutes had never been enacted. Not a single one of the claims proposed to be paid in this amendment could now be paid or could have been paid at any other time. This amendment lifts the men who went into the Confederate service into a preferred class and permits them to be paid these longevity claims, for which no other man who served in the Army can receive pay or ever has received pay.

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

Mr. FITZGERALD. Certainly.

Mr. UNDERWOOD. The statute of limitations can run against no man until the opportunity for the claim accrues. As these men were barred by reason of this statute, section 3480, the door was never open for them to make the claim until last month.

Mr. FITZGERALD. It was not barred to these men. They could have asserted a claim for this longevity pay at any time prior to their resignation from the Army, but nobody ever thought of making such claim; and the gentleman does not intend to contend that because of that statute a man who had been in the Confederate service should be given the right to file a claim which the man who remained in the Union Army was deprived of filing, except for the period of six years prior to 1884.

Mr. UNDERWOOD. No; but I do claim this: That when Congress passed this act last month repealing section 3480 it did so with the express purpose of authorizing the payment of these claims. It is so stated in the report. It was argued on the floor. The amount of the claims was stated to the House, and every Member of this House who voted to repeal that statute knew that it opened the door for \$165,000 worth of claims to these soldiers; and with that knowledge before them, the House and the Senate enacted it into law; and I say that was the will of the House, the intention of Congress, and it seems to me that for the Committee on Appropriations to come here now and ask the House to repudiate its action is to put us in the attitude of merely mashing up the hill and then marching down again.

Mr. FITZGERALD. Mr. Speaker, I was in the House that day and I heard the very eloquent speech of the gentleman from Pennsylvania [Mr. GRAHAM], and I never heard a suggestion, and I never imagined for a moment, and nobody else in this House imagined, that that was what Congress was doing in the passage of that act.

Mr. UNDERWOOD. It is stated in the report. I read it.

Mr. FITZGERALD. I do not care about the reports, because I do not read them very often. I do not have the chance. But nobody ever suspected that Congress was proposing to open the door to claims of men who left the Regular Army to go into the Confederate service, and at the same time denying the opportunity for claims for the same service for the same period to be presented by men in the Regular Army who remained loyal to the Union. I think for anybody to assert now that Congress intended that is to make an assertion that can not be justified.

Mr. UNDERWOOD. Why, the gentleman—

Mr. FITZGERALD. What was believed, Mr. Speaker, was that we were placing the men who had left the Army and gone into the Confederate service on an equal footing with men who remained loyal to the Union. But this amendment does not propose such action. We are giving them something that the men who remained loyal have not got and can not get. This House never intended and never knew what was being accomplished by that act. I would go as far as anyone to wipe out whatever lingering or smoldering animosities there may be arising out of that terrible conflict which divided this country from 1861 to 1865—and what I say is not for the purpose of arousing any feeling—but I would not have Congress do an act

which, in effect, puts a premium upon the action of the men who left the service of their country to take arms in the Confederate service, and that is what is done in this amendment.

If Congress wishes to enact a law so that every man who was in the Regular Army shall be able to present a claim for longevity service and be paid for it, so far as I am concerned I am willing to meet others and to let these men who did go into the Confederate service be placed on an equal footing with the men who remained in the Army or who did not go into the Confederate service. I would be willing to blot out and remove the effect of any action by which these men went into the Confederate service, because I have always believed that the men who took that side of the controversy were sincerely actuated by lofty and patriotic motives. The awful conflict, which resulted finally in the preservation of the Union, has long passed; it is the duty of everyone to cooperate as much as possible to obliterate the causes of ill feeling that so long remained and to do everything possible to restore the common brotherhood of this country. But to say that Congress intended, in order to meet the condition that existed and to bring about a better feeling, to enact a law which gave the men who went into the Confederate service an advantage and preference, and an opportunity to present a claim to which Congress has persistently refused to the men who remained in the Army and were loyal to the Union, is going far beyond what anyone can justify.

I believe that those who advocate this amendment do so in the honest belief that it puts the men who went into the Confederate service on a footing with those who remained in the Army and engaged on the Union side, but it does not do so. It does much more. There is no record that I have been able to find where anyone has been paid longevity pay for the period covered by this amendment. If this amendment be adopted, there can be no excuse, there can be no defense to the claims presented by every man who was in the Army and remained in it on the Union side.

Mr. WEBB. Will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. WEBB. It strikes me that under the decision of the Supreme Court both Confederate claims due these officers, as well as claims of the Federal officers, who were at West Point are entitled to the pay. Can the gentleman give any idea as to how much the amount would be due the Federal officers and widows who served at West Point during the same period as these in the Confederate service?

Mr. FITZGERALD. I have no idea, but I think it runs up into the millions. The gentleman will remember that this is merely for those men who went into the Confederate service.

Mr. WEBB. And there are 173 of those, I believe.

Mr. FITZGERALD. But it would take in the men in the Regular Army.

Mr. WEBB. They did not all serve at West Point.

Mr. FITZGERALD. It would include all the men in the Regular Army who were graduates of West Point.

Mr. MANN. Will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. MANN. The statement was made repeatedly that a million dollars has been paid, and the only men or officers paid were those that were not barred by the six years. The amount that has been paid accrued in six years, whereas the men who have not been paid the amount accrued between the years 1838 and 1878.

Mr. WEBB. That did not take into consideration the longevity pay based on service in the Military Academy?

Mr. MANN. Both academies.

Mr. WEBB. That was not based solely on the longevity that accrued at the academy.

Mr. MANN. That was the statement of the gentleman from Alabama, that a million dollars had been paid on these claims, and there was no claim paid except where the claim had accrued within six years.

Mr. SISSON. Will the gentleman from New York yield?

Mr. FITZGERALD. For what?

Mr. SISSON. For a question.

Mr. FITZGERALD. Yes.

Mr. SISSON. The gentleman has given the other side of this proposition 30 minutes and 5 minutes to the gentleman from Alabama and 5 minutes to myself.

Mr. FITZGERALD. The gentleman is mistaken. I gave the gentleman from Alabama all the time he desired, and so stated at the beginning.

Mr. SISSON. The gentleman from Alabama only occupied 5 or 10 minutes.

Mr. FITZGERALD. The gentleman is mistaken. He occupied nearly 15 minutes. I gave the gentleman from Mississippi all the time he asked for.

Mr. SISSON. You only gave me five minutes.

Mr. FITZGERALD. That was all the gentleman asked for.

Mr. SISSON. I did not ask for more because the time was limited. But the question I want to ask is, Will the gentleman state positively that every officer has not received his longevity pay from 1861 to the present time? Is it not true that in appropriation bills almost every year since the Supreme Court delivered its opinion the Union officers have been receiving pay? I ask for information, for I have not had time to look it up.

Mr. FITZGERALD. I will state what I understand to be the fact—

The SPEAKER. The time of the gentleman from New York has expired. All time has expired.

Mr. FITZGERALD. Mr. Speaker, I ask unanimous consent that I may continue for five minutes.

The SPEAKER. The gentleman from New York asks unanimous consent to continue for five minutes. Is there objection? There was no objection.

Mr. FITZGERALD. Mr. Speaker, my understanding is that the claims of no officer have been paid for a period antedating six years prior to the decision of the Supreme Court in 1884, if that be the correct date. These certified claims are not for periods prior to that date. I do say, and I am as absolutely certain as I can be, that claims of this character for the period of service covered by the service of the men to be affected by this amendment have not been paid to anybody. This gives to those who served in the Confederate Army payment of claims that has been denied to men who served in the Union Army.

Mr. UNDERWOOD. Will the gentleman let me ask him a question?

Mr. FITZGERALD. Yes.

Mr. UNDERWOOD. The Supreme Court decision that brought about this question was rendered in 1884. Since that time there have been no claims for officers in the Union Army, because it was added into their pay.

Mr. FITZGERALD. Of men who were in the service, yes.

Mr. UNDERWOOD. I am informed—I have not looked it up, but I have received the information from a gentleman who has and in whom I have the utmost confidence—that there has been in the neighborhood of a million dollars of these claims paid. They must have been claims that originated before 1880.

Mr. FITZGERALD. Claims that originated within six years prior to the decision of the Supreme Court. If the statute repealed the other day had never been enacted, when the Supreme Court rendered its decision about this longevity pay none of the men affected by the Senate amendment could have asserted a claim, because they were not in a position to do it. They had been out of the service for a period more than six years back. The claims were barred by the statute of limitations, the same as the claims of Union officers.

Mr. BURNETT. Mr. Speaker, will the gentleman yield?

Mr. FITZGERALD. Yes.

Mr. BURNETT. Unless claims of this character are paid, is there any field for the operation of the law we passed just a few days ago?

Mr. FITZGERALD. I do not know.

Mr. BURNETT. Was it not merely nugatory?

Mr. FITZGERALD. I do not know whether there be any field for it or not; but I have no hesitation in saying that in voting for the law passed the other day I had no intention, and I do not propose because I voted for that bill to be put in the position of voting to pay the claims of these men who went into the Confederate service, when Congress has decided it will not pay similar claims for men who remained in the Union service.

Mr. Speaker, I ask a division of the question, that the vote be taken first on the question of receding from the disagreement of the House to the amendment of the Senate.

The SPEAKER. The question is on receding from the disagreement of the House to Senate amendment 158.

Mr. BURNETT. Mr. Speaker, I ask unanimous consent that the amendment be again reported.

The SPEAKER. Without objection, the Clerk will again report the amendment.

There was no objection, and the Clerk again reported the amendment.

The SPEAKER. The question is on receding from the disagreement of the House to Senate amendment 158.

The question was taken; and on a division (demanded by Mr. UNDERWOOD) there were—ayes 24, noes 70.

Mr. UNDERWOOD. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 67, nays 154, answered "present" 1, not voting 210, as follows:

YEAS—67.

| | | | |
|----------------|------------------|--------------|----------------|
| Abercrombie | Ferris | Igoe | Sherley |
| Adamson | FitzHenry | Johnson, Ky. | Sims |
| Aiken | Flood, Va. | Lee, Ga. | Sisson |
| Barkley | Garrett, Tenn. | Lever | Stedman |
| Broussard | Garrett, Tex. | Lloyd | Stephens, Tex. |
| Bryan | Godwin, N. C. | McKellar | Stout |
| Buchanan, Tex. | Hamlin | Montague | Talbot, Md. |
| Burgess | Hardy | Moon | Taylor, Ark. |
| Burnett | Harris | Mulkey | Tribble |
| Caraway | Harrison | O'Hair | Underwood |
| Carter | Hay | Park | Watkins |
| Collier | Hayden | Pou | Watson |
| Dent | Heflin | Quin | Webb |
| Dickinson | Helm | Ragsdale | Whaley |
| Dupré | Holland | Rubey | Wilson, Fla. |
| Elder | Hull | Rucker | Wingo |
| Falson | Humphreys, Miss. | Russell | |

NAYS—154.

| | | | |
|-----------------|-----------------|----------------|-----------------|
| Allen | Doolittle | Kelly, Pa. | Platt |
| Anderson | Dorumus | Kennedy, Iowa | Post |
| Ashbrook | Doughton | Kent | Rainey |
| Avis | Dunn | Key, Ohio | Raker |
| Bailey | Esch | Kinkead, N. J. | Reed |
| Baltz | Falconer | Kirkpatrick | Reilly, Wis. |
| Barchfeld | Farr | Konop | Roberts, Nev. |
| Barnhart | Ferguson | La Follette | Rogers |
| Barton | Fess | Langley | Rouse |
| Bathrick | Fitzgerald | Lenroot | Rupley |
| Benkes | Floyd, Ark. | Lindbergh | Scott |
| Bell, Cal. | Fordney | Loneragan | Seldomridge |
| Borchers | Foster | McAndrews | Shackleford |
| Britten | Fowler | McCoy | Sinnott |
| Brockson | Francis | McKenzie | Sloan |
| Brodbeck | French | MacDonald | Smith, Idaho |
| Brumbaugh | Gallivan | Madden | Smith, Minn. |
| Burke, S. Dak. | Gard | Maguire, Nebr. | Smith, N. Y. |
| Burke, Wis. | Garner | Mahan | Smith, Saml. W. |
| Butler | Gerry | Manahan | Stevens, Cal. |
| Campbell | Gilmore | Mann | Stevens, Minn. |
| Cantor | Gittins | Mapes | Stone |
| Carr | Gordon | Mitchell | Tavener |
| Casey | Goulden | Mondell | Ten Eyck |
| Church | Graham, Ill. | Moore | Thacher |
| Claypool | Green, Iowa | Morgan, Okla. | Thomson, Ill. |
| Cline | Greene, Mass. | Morrison | Towner |
| Connelly, Kans. | Greene, Vt. | Murdock | Townsend |
| Conry | Haugen | Neely, W. Va. | Treadway |
| Cox | Hawley | Nolan, J. I. | Tuttle |
| Cramton | Helgesen | Norton | Underhill |
| Cullop | Helvering | Oglesby | Walsh |
| Curry | Hensley | Page, N. C. | Williams |
| Danforth | Hill | Palmer | Witherspoon |
| Deitrick | Humphrey, Wash. | Payne | Woodruff |
| Dershem | Johnson, Wash. | Peterson | Woods |
| Dillon | Kahn | Phelan | Young, N. Dak. |
| Dixon | Keating | | |
| Dobovan | | | |

ANSWERED "PRESENT"—1.

Slemp

NOT VOTING—210.

| | | | |
|-----------------|-----------------|-----------------|-----------------|
| Adair | Dies | Hoxworth | Murray, Mass. |
| Ainey | Difenderfer | Hughes, Ga. | Murray, Okla. |
| Alexander | Donohoe | Hughes, W. Va. | Necley, Kans. |
| Ansherry | Dooling | Hulings | Nelson |
| Anthony | Driscoll | Jacoway | O'Brien |
| Aswell | Drukker | Johnson, S. C. | Oldfield |
| Austin | Eagan | Johnson, Utah | O'Leary |
| Baker | Eagle | Jones | O'Shaunessy |
| Bartholdt | Edmonds | Kelster | Padgett |
| Bartlett | Edwards | Kelley, Mich. | Paige, Mass. |
| Beall, Tex. | Estopinal | Kennedy, Conn. | Parker |
| Bell, Ga. | Evans | Kennedy, R. I. | Patten, N. Y. |
| Blackmon | Fairchild | Kettner | Patton, Pa. |
| Booher | Fields | Kiess, Pa. | Petrs, Mass. |
| Borland | Finley | Kinkaid, Nebr. | Peters, Me. |
| Bowdle | Frear | Kitchin | Plumley |
| Brown, N. Y. | Gallagher | Knowland, J. R. | Porter |
| Brown, W. Va. | Gardner | Korbly | Powers |
| Browne, Wis. | George | Kreider | Pronty |
| Browning | Gill | Lafferty | Rauch |
| Bruckner | Gillett | Langham | Rayburn |
| Buchanan, Ill. | Glass | Lazaro | Reilly, Conn. |
| Bulkley | Goeke | Lee, Pa. | Riordan |
| Burke, Pa. | Goldfogle | L'Engle | Roberts, Mass. |
| Byrnes, S. C. | Goodwin, Ark. | Leshner | Rothermel |
| Byrns, Tenn. | Gorman | Levy | Sabath |
| Caldor | Graham, Pa. | Lewis, Md. | Saunders |
| Callaway | Gray | Lewis, Pa. | Scully |
| Candler, Miss. | Gregg | Lieb | Sells |
| Cantrill | Griest | Lindquist | Sherwood |
| Carew | Griffin | Linthicum | Shreve |
| Carlin | Gudger | Lobeck | Slayden |
| Cary | Guernsey | Loft | Small |
| Chandler, N. Y. | Hamill | Logue | Smith, J. M. C. |
| Clancy | Hamilton, Mich. | McClellan | Smith, Md. |
| Clark, Fla. | Hamilton, N. Y. | McGillcuddy | Smith, Tex. |
| Cody | Hammond | McGuire, Okla. | Sparkman |
| Connolly, Iowa | Hardwick | McLaughlin | Stafford |
| Cooper | Hart | Maher | Stanley |
| Copley | Hayes | Martin | Steenerson |
| Covington | Henry | Merritt | Stephens, Miss. |
| Crisp | Hinds | Metz | Stephens, Nebr. |
| Crosser | Hinebaugh | Miller | Stevens, N. H. |
| Dale | Hobson | Morgan, La. | Stringer |
| Davenport | Houston | Morin | Summers |
| Davis | Howard | Moss, W. Va. | Sutherland |
| Decker | Howell | Mott | Switzer |

| | | | |
|----------------|-----------------|----------|---------------|
| Taggart | Thomas | Walker | Willis |
| Talcott, N. Y. | Thompson, Okla. | Wallin | Wilson, N. Y. |
| Taylor, Ala. | Vare | Walters | Winslow |
| Taylor, Colo. | Vaughan | Weaver | Young, Tex. |
| Taylor, N. Y. | Vollmer | Whitacre | |
| Temple | Volstead | White | |

So the motion to recede was rejected.

The clerk announced the following additional pairs:

Unit further notice:

Mr. ALEXANDER with Mr. HINEBAUGH.
 Mr. MOON with Mr. AUSTIN.
 Mr. LIEB with Mr. BARTHOLDT.
 Mr. KORBLY with Mr. DAVIS.
 Mr. SHEERWOOD with Mr. DRUKKER.
 Mr. GOODWIN of Arkansas with Mr. TEMPLE.
 Mr. BLACKMON with Mr. GRIEST.
 Mr. CLARK of Florida with Mr. HAYES.
 Mr. DECKER with Mr. HOWELL.
 Mr. DIFENDERFER with Mr. STEENERSON.
 Mr. CLANCY with Mr. HAMILTON of New York.
 Mr. GLASS with Mr. SLEMP.
 Mr. GOEKE with Mr. JOHNSON of Utah.
 Mr. GREGG with Mr. KELLEY of Michigan.
 Mr. TAYLOR of Alabama with Mr. HUGHES of West Virginia.
 Mr. BYRNS of Tennessee with Mr. KENNEDY of Rhode Island.
 Mr. LEE of Pennsylvania with Mr. KINKAID of Nebraska.
 Mr. LESHNER with Mr. MCGUIRE of Oklahoma.
 Mr. MURRAY of Massachusetts with Mr. NELSON.
 Mr. OLDFIELD with Mr. PATTON of Pennsylvania.
 Mr. SPARKMAN with Mr. PETERS of Maine.
 Mr. STEPHENS of Mississippi with Mr. PLUMLEY.
 Mr. BROWN of West Virginia with Mr. SELLS.
 Mr. COADY with Mr. VOLSTEAD.
 Mr. GRAY. Mr. Speaker, I desire to vote "no."
 The SPEAKER. Was the gentleman in the Hall?
 Mr. GRAY. No, sir; I was not in the Hall.
 The SPEAKER. The gentleman does not bring himself within the rule.

Mr. GRAY. Then I desire to vote "present" in order to make a quorum.

The SPEAKER. That will not be in order until after we find out whether we have a quorum or not.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the motion of the gentleman from New York, to further insist upon its disagreement to Senate amendment 158.

The question was taken, and the motion was agreed to.

The SPEAKER. The Chair announces the following conferees: Mr. FITZGERALD, Mr. SISSON, and Mr. VARE.

SUNDRY CIVIL APPROPRIATION BILL.

Mr. FITZGERALD. Mr. Speaker, I ask unanimous consent that the order of the House asking for a conference on the sundry civil bill with the Senate be vacated and that the House agree to the conference asked for by the Senate.

The SPEAKER. The gentleman from New York asks unanimous consent that the order of the House to ask for a conference with the Senate be vacated and the House agree to the conference asked for by the Senate on the amendments to the sundry civil bill. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

EXTENSION OF REMARKS IN THE RECORD.

Mr. MOORE. Mr. Speaker—

Mr. RUSSELL. Mr. Speaker—

The SPEAKER. The gentleman from Pennsylvania.

Mr. MOORE. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes on a personal matter.

The SPEAKER. The gentleman from Pennsylvania [Mr. MOORE] asks permission to address the House for 10 minutes. Is there objection?

Mr. UNDERWOOD. Mr. Speaker, I do not like to interfere with the gentleman from Pennsylvania, but I object to anything except the regular order at this time.

The SPEAKER. The gentleman from Alabama objects.

Mr. MOORE. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. MOORE. I will not do this if the gentleman will give me 10 minutes, although I think the question of personal privilege will be sustained.

Mr. UNDERWOOD. Mr. Speaker, if it is a matter that is personal to the gentleman, of course I will not object. I did not so understand.

Mr. MOORE. Mr. Speaker, it is a personal matter, and I so stated.

Mr. UNDERWOOD. I withdraw my objection.

The SPEAKER. Is there objection to the gentleman proceeding for 10 minutes? [After a pause.] The Chair hears none.

Mr. MOORE. Mr. Speaker, sometimes I wonder whether a man who utters a lie is more to be complained against than a man who builds upon a lie. The man who stabs in the dark strikes a blow that can not be repelled; and the man who writes an anonymous letter can not be found; so that the victim of a man who thus strikes or who writes anonymously is helpless unless he can find the man who lies about him. The man who builds upon a lie can not always be found and the effect of the lie passing from one to another may shatter a reputation. Therefore I am inclined to believe that the man who builds upon a lie is worse, perhaps, than he who gives the lie direct. As to the anonymous letter writer we may all have contempt for him because all of us, doubtless, have been his victims. He who thus writes anonymously writes in the spirit of cowardice because he leaves no trace, and no utterance of the truth or reply to the insinuations made may catch up to him. Hence the poisoned pen is one of the most vicious of all the offenses in the catalogue of crimes. It shatters character.

I would regret to think that there was a man in the House of Representatives who would lie, and I would regret sincerely to think that there was one in the House who would build upon a lie, or that there was one who would sanction an anonymous letter that would tend to destroy a reputation of a colleague. I do not impute motives of this kind to any Member of this House, but I do say that a practice has arisen here to which the public attention ought to be drawn, involving an abuse of the privilege of leave to print, the privilege which abused, might enable a Member to unjustly criticize or condemn a colleague without the latter having an opportunity, face to face, to meet the accusation.

I shall not put myself in the position of accusing anyone of having dealt so unfairly with me as these remarks might indicate I have it in mind to do toward any Member of the House. I am speaking of a practice that has arisen and of the abuse of it which the House by sufferance has tolerated. There ought to be a closer inspection of the leave to print and of the right of a Member, so inclined, to print that which in all good conscience and in honor should be unprintable in the CONGRESSIONAL RECORD. There ought to be that honor, at least, among Members of the House that is attributed to a worse class of our citizens—the honor of being fair with one another. If I can not trust my brother, a Member of this House, to be fair with me when by my silence I give him the leave to print, which I could prevent by offering an objection, then I am in a sorry plight, for I would regret to think there was any Member of this House who could not be trusted to do the right thing in courtesy by his colleagues, no matter to what party he belonged.

I make these observations because I believe they are important and that they may help to lead to a correction of the abuse to which I have referred.

Now, sometimes some of us get spectacular in this House and do those things which are calculated to attract attention in the newspapers. This may account in part for the abuse of privilege. The active working men on this floor sometimes go unnoticed for months because of the brilliant dashes of those who take chances to attract popular attention. There are those, perchance, who get to the newspapers quicker than the loyal worker upon the floor, and possibly there are those who work that practice to the limit, especially in preelection times. Now, I am not accusing anybody in particular in this respect, for I may be as amenable as others, but I am stating a fact of which all men may take notice.

In the RECORD of this morning, July 22, on page 12512, are the remarks of Mr. BRYAN, of Washington, printed under leave granted to him to print; that is to say, the presumption is that he obtained the leave of this House by unanimous consent to print. I will leave it to the gentleman from Washington [Mr. BRYAN] to say whether he obtained that unanimous consent or not. I presume he did. But these remarks to which I make reference were not uttered upon the floor of this House. If they had been, those to whom they apply would have had the opportunity to answer them, and to answer them in a manly way. It would have made no difference how forceful nor how pointed they were, if they were within the parliamentary limit they could have been answered; but it would have been fair only to utter them in the presence of those against whom they were directed.

I have nothing to say in regard to these extended remarks of the gentleman from Washington, not uttered upon the floor of the House, as they apply to my colleagues. I desire to say in regard to these remarks, not delivered upon the floor of the

House nor uttered in open debate, where I could hear them, but shoved in under cover of darkness, as it were, under leave to print; pushed in so that I had no notice or opportunity to reply, and in a manner which I believe to be objectionable; that while I believe him guilty of a parliamentary offense, I am willing to pardon him on the ground of youth and inexperience.

Mr. BRYAN, if correctly quoted in the RECORD of this morning, on page 12512, said:

The gentleman from Pennsylvania [Mr. MOORE], palms up, says, "Pisness is pisness. This can give time, but we need the interest." Yet he nearly talked himself into utter exhaustion to try to force through here a scheme to get the Government to buy a lot of waste lands in Philadelphia, near a powder plant, which was worthless almost and was not needed, and yet to cost a very large sum. He takes relays with other gentlemen here, in pleading for "protection for the infant industries of Pennsylvania." He wants the Government to take from the people a sum of money to swell the profits of every trust-owned factory in his State—the infant industry known as the Steel Trust, the textile mills, and the shipping plants. He did not mind helping the ships with free tolls, but a farmer on the reclaimed arid plains of the West, making an American home, creating wealth, bringing up citizens who will fight for the flag when called, are not worth 3 cents. "Pisness is pisness."

And further along he adds:

"U. S." does not stand for "Uncle Shylock."

Now, of course, that may seem amusing to some of you and to a certain extent it is amusing to me, because of the utter variance from the truth of the statement therein made. The inference is, so far as I am concerned personally, that I represent certain interests in this House unfair to the farmers of the land, for whom the gentleman from Washington attempts to speak. That is a totally unwarranted statement.

I have on previous occasions challenged anyone who wanted to question my record in that respect, and I do not hesitate to challenge them now. I am as free to vote with honor upon any public question that arises here as any man in this House, as free from the domination of corporation bosses as I am of labor bosses, or political bosses, or any other bosses. I know the people of my district, and I vote and labor here as I believe befits their welfare, and I labor here for that larger interest of the United States which, I believe, becomes me as a representative of all the people without regard to classes.

But, so far as my own feelings in this matter are concerned, I do not worry, because I am responsible to the people who send me here. I want to hear my course criticized, but in the open and not in the dark. I do not want to have it appear in the State of Washington under flaming headlines in the newspapers, and under the franking privilege when these speeches are sent out, that these violent assaults upon "the agents of evil" are made upon the floor of the House, when they are slipped into the RECORD under the cover of darkness.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. MOORE. Mr. Speaker, I ask unanimous consent to proceed for five minutes more.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to proceed for five minutes more. Is there objection?

There was no objection.

Mr. MOORE. Let us dispense with the personal side of it, Mr. Speaker, and take up that question which I regard as more serious—the slipping into the RECORD of those things not uttered upon the floor and that appear to an unsuspecting constituency at home as having been uttered here in fiery debate. The gentleman from Washington, I said, was guilty of this offense, and I charge him now with having violated the rules of courtesy, if not the parliamentary rules of the House, when he put quotation marks upon an expression which he attributed to me for the purpose of his argument and to which I never gave utterance. I not only object to his reflecting upon an honorable race of men and women, but to his putting me in the position of making a mockery of them. [Applause.]

If he has no respect for the great Jewish race in the United States and proposes to make fun of them in the public RECORD, he can not do it by putting the language in my mouth and using quotation marks upon remarks which he attributes to me and which I never used. "Pisness is pisness," and "palms up," says the gentleman from Washington, attributing those remarks to me, and putting the quotation marks upon them as if I had spoken them. Herein was his principal fault.

The gentleman from Washington manufactured this speech of his out of whole cloth. He manufactured this quotation from me out of the whole cloth, and by doing it gave offense to millions of worthy citizens of the land for whom apparently he has contempt and for whom I have always entertained the highest respect.

I believe, in the course of time, that this sort of abuse of the unanimous-consent privilege to extend remarks in the CON-

GRESSIONAL RECORD will be corrected. But I am glad of this opportunity to say, so long as I am placed in the limelight by reason of the thrust after dark of the gentleman from Washington, that those gentlemen in this House who hold themselves holier than others who are performing their duty honestly and conscientiously may some day be pointed out for the demagogues they are. [Applause.] I believe that the poor people of this land, the poor farmers in the district that the gentleman himself represents, the farmers upon this arid and semi-arid soil, for whom the Government of the United States is spending \$7,500 per farm, which is not granted to any other farmer in the United States, would rather have the truth as it comes from "the gentleman from Pennsylvania" than they would to have the misstatements as they come from "the gentleman from Washington."

Mr. BRYAN. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. BRYAN. The gentleman from Pennsylvania [Mr. MOORE] said several things just a moment ago—

Mr. UNDERWOOD. Mr. Speaker, I doubt very much whether a reply to the statement of the gentleman from Pennsylvania [Mr. MOORE] is a question of personal privilege. If the gentleman from Washington [Mr. BRYAN] wants an opportunity to reply, I suggest that he ask for 10 minutes.

Mr. BRYAN. I agree to the suggestion, Mr. Speaker, that my time be limited to 10 minutes.

The SPEAKER. The gentleman from Washington [Mr. BRYAN] asks unanimous consent to proceed for 10 minutes. Is there objection?

There was no objection.

Mr. BRYAN. Mr. Speaker, the first thing that I want to refer to—a thing that the gentleman from Pennsylvania [Mr. MOORE] has thrust at me—is that he has accused me of impugning or criticizing a race of people. I was not talking about any race of people. I was talking about the gentleman from Pennsylvania, J. HAMPTON MOORE. I did not say anything about the Jews of this country. I respect that race, and think he is the one who has insulted them and hurled an insult in their face.

Where is there anything about the Jewish race in what I said? Why should that gentleman rise here and accuse me, or suggest that the Jewish race of this country is referred to in that little suggestion that I made there about some one being rather parsimonious about money? The Jews of my district are not that kind of people. They may be in Philadelphia, if the gentleman looks at it in that way, but the Jews of my State are a progressive race of people. They are progressive, and they are found on the newspapers, they are found in the public marts and in the places of trade, and they are always standing for things that are uplifting and decent. I do not know how they are in Philadelphia; but if there is an insult to the Jews of this country, it is the Jews of Philadelphia, those that the gentleman from Pennsylvania knows, that have been insulted, and not the Jews that I know, because I do not know that kind of people in my district.

Now, Mr. Speaker, so far as the unanimous consent was concerned, I obtained unanimous consent. I do not know why that line was dropped out of the RECORD, but unanimous consent ought to have been lodged in the RECORD. I did request that my remarks be inserted and extended, and it ought to have appeared right after the unanimous consent was asked.

Now, the gentleman from Pennsylvania, in so far as he concludes that I intended by anything that I said to impugn the honor or integrity of the gentleman or his work on this floor, is entirely mistaken, and he has made an assumption that is not warranted by anything that I thought, and I do not believe by anything that I said. I respect the gentleman, and I want him to know, and I want this House to know, that I respect him as an honorable Member of this House.

The worst thing that I know of his doing is to get up here and openly and publicly insult a race that is represented in all the great cities of this country by men who are standing for something and doing something. I think that is the disgrace of this session.

So far as the gentleman's injustice goes, in coming here and pleading, as I said he did, times without number for all kinds of laws that will take away from the people of the West and from the people of the South and from the purchasers and consumers of this country their hard-earned money in their pockets and turn it over to the mills and the factories in his State, I think it is warranted. I think it is just to criticize that economic position of the gentleman; that persistent claim that he has always made, that we of the country elsewhere owe all our substance to his particular corporations, his Steel Trust, his textile interests, and other interests; so that what I had there in mind, what I suggested there, I believe, is based on the real

truth, and they are real facts, as everyone in this House may know.

I want to repeat what I said at the start, that any statement that I have attempted, or that I had in my mind any desire to impugn the honorable motives of the gentleman is false. When the gentleman from Pennsylvania first started out, he used the word "lie," and I got up and walked around and sat in front of him, determined that if he applied that to me, I was going to make the best effort of my life to put him across the bench there. I was not going to let him say that; but he did not. He said he did not apply it to me; and all I want the RECORD to show is that my determined view in this matter is that I was only talking economics—what I considered just, honorable, and upright economics—and was not impugning the motives of any man. So far as the language incorporated in my extension, to which the gentleman from Pennsylvania [Mr. MOORE] referred, he did not use that identical language or quotation in the debate.

Mr. RUCKER. Mr. Speaker, I ask unanimous consent for five minutes, to say something in behalf of the Jews.

The SPEAKER. The Chair will put that question in a minute.

Mr. RUCKER. I withdraw the request.

The SPEAKER. The Chair will explain to the gentleman from Washington and all other Members that when a gentleman has the floor and is saying something that some other gentleman thinks reflects on him, the proper procedure is not to undertake to get up a row with the man who has the floor, but to address the Chair and ask that his words be taken down. That is the orderly procedure. This is not a school for pugilism. [Applause.]

RESERVED LANDS AT HEADWATERS OF MISSISSIPPI RIVER.

Mr. FERRIS. Mr. Speaker, I call up the bill (S. 1784) restoring to the public domain certain lands heretofore reserved for reservoir purposes at the headwaters of the Mississippi River and tributaries, and ask to agree to the conference asked by the Senate.

The SPEAKER. The Clerk will report the title of the bill.

The Clerk read the title of the bill.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to agree to the conference which has been asked for by the Senate. Without objection it is so ordered, and the Chair announces as conferees on the part of the House Mr. FERRIS, Mr. GRAHAM of Illinois, and Mr. LENROOT.

PENSIONS.

Mr. RUSSELL. Mr. Speaker, I ask unanimous consent to call up from the Speaker's table the bill (H. R. 16294) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, and to concur in the Senate amendments.

The SPEAKER. The Clerk will report the title of the bill.

The Clerk read the title of the bill.

The SPEAKER. The Clerk will report the amendments of the Senate.

The Senate amendments were read.

The SPEAKER. The gentleman from Missouri moves to concur in the Senate amendments.

The motion was agreed to.

Mr. KEY of Ohio. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the following pension bills, H. R. 16345, H. R. 15959, and H. R. 17482, disagree to all of the Senate amendments, and ask for a conference.

The SPEAKER. The Clerk will report the title to the bills.

The Clerk read as follows:

H. R. 16345. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors.

H. R. 15959. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors.

H. R. 17482. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors.

The SPEAKER. The gentleman from Ohio asks unanimous consent to take the three bills just reported from the Speaker's table, disagree to all the Senate amendments, and ask for a conference. Is there objection?

Mr. HAWLEY. Do I understand that these are all House bills?

Mr. KEY of Ohio. They are all House bills.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER appointed as conferees on the part of the House Mr. KEY of Ohio, Mr. KEATING, and Mr. SELLS.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Tulley, one of its clerks, announced that the Senate had passed without amendment bills of the following titles:

H. R. 17005. An act authorizing the fiscal court of Pike County, Ky., to construct a bridge across Tug Fork of the Big Sandy River at or near Williamson, W. Va.; and

H. R. 16579. An act to authorize the construction of a bridge across St. John River at Fort Kent, Me.

The message also announced that the Senate had further insisted upon its amendments to the bill (H. R. 17824) making appropriations to supply deficiencies in appropriations for the fiscal year 1914 and for prior years, and for other purposes, numbered 158.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 8630. An act to amend section 4 of an act entitled "An act granting a franchise for the construction, maintenance, and operation of a street railway system in the district of South Hilo, county of Hawaii, Territory of Hawaii," approved August 1, 1912; and

H. R. 15320. An act authorizing the Secretary of the Treasury to disregard section 33 of the public-buildings act of March 4, 1913, as to site at Owego, N. Y.

THE GENERAL DAM ACT.

Mr. ADAMSON. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 16053) to amend an act entitled "An act to regulate the construction of dams across navigable waters," approved June 21, 1906, as amended by the act approved June 23, 1910, and pending that I would like to take the sense of the House on a request for unanimous consent that not later than 6 o'clock to-night we take a recess until 8 o'clock and indulge in general debate until 11 o'clock p. m.

Mr. STEVENS of Minnesota. I think there will be ample time during the session for debate during the daytime, and I shall object.

The SPEAKER. The gentleman from Minnesota objects.

HOUR OF MEETING TO-MORROW.

Mr. ADAMSON. Then, Mr. Speaker, I will try another tack on the gentleman, and see if we can come in at 11 o'clock to-morrow. I will ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow.

The SPEAKER. The gentleman from Georgia asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow. Is there objection?

There was no objection.

THE GENERAL DAM ACT.

The motion of Mr. ADAMSON was then agreed to; accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. GARNER in the chair.

The CHAIRMAN. The House is now in Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 16053) amending the general dam act.

Mr. ADAMSON. Mr. Chairman, I hope the gentleman from Minnesota will find it convenient to consume some of his time.

Mr. STEVENS of Minnesota. Mr. Chairman, I yield 30 minutes to the gentleman from California [Mr. KENT].

Mr. KENT. Mr. Chairman, first of all, I wish to remark that there are no such things as property rights or property except as recognized and protected by such authority as is delegated by society, and, furthermore, that society in its own interest should never grant or protect rights that are not for the benefit of society. This axiom being accepted, our course is clear. Any other assumption leads to infinite muddlement.

In the evolution of orderly government there has come down some chaff with the wheat. Through our English antecedents there has come a belief in the supreme sanctity of land ownership, which to-day is being challenged and must be challenged in the interests of equalized opportunity. This preface may seem apart from the theme under discussion, but it has a vital relation.

The Federal Government in many cases has asserted its right to regulate the waters flowing over the public domain, but the question of the rights of riparian landowners to control the waters flowing by and over their property on navigable streams has been rendered complex and complicated by this system of private ownership of land, which, by an impudence of human speech, extends to heirs and assigns forever without control from the center of the earth to the surface.

Just as through the interstate-commerce clause of the Federal Constitution we have found means of breaking shackles that otherwise would have bound us to many misfit and superannuated traditions of the past; thus in the Chandler-Dunbar decision we have found a means whereby we may assert the right to control our navigable waters, for all purposes, in the interests of all the people through the violent assumption of benefiting navigation. Every man capable of clear analysis knows perfectly well that much of the navigation that is proposed as a means of regulating freight charges is absurd and extravagant. The Interstate Commerce Commission is empowered by a stretch of constitutional authority to regulate the railroads in their charges and their service, and in a vast number of cases it would be cheaper to furnish free railroad service than to improve river navigation. In this Chandler-Dunbar decision we find an assertion that the Federal Government is sovereign and supreme over the navigable waters of the country, whether or not abutting property, which supposedly runs to the middle of the stream, is in private ownership. Thus the Supreme Court gives us possession of untrammelled authority to regulate the generation of power on navigable streams.

Our duty is obvious and insistent. Either the Federal Government, as a corporate entity, should utilize this water power, or if it grants authority to an agent to utilize it, it should limit and control that agent. We by having the right to withhold have a corresponding duty to control. This is a matter but feebly comprehended and little understood in its full scope. We have been so prone to start at the wrong end of the argument and to consider private property as the foundation of society instead of considering society as the sole foundation and protection of private property that we do not recognize our social power or our social duty. Society demands the utilization of all natural resources in the public interest. Without the utilization of these resources we should be a pauper nation. Up to the present time we have gone on the presumption that there was too much of everything, and that the best policy for the Government to adopt is to alienate our common possessions into private hands and put them on the tax roll. Our forests have been wastefully cut, and men, under private ownership, have harvested and destroyed a crop in their short lifetimes that should have been perennial. Under the guise of private ownership they have destroyed three or four times as much timber as they or the community have used and have enjoyed. Our anthracite coal fields are all in private hands, and we must now beg of Mr. Baer and his successors and assigns "under Providence," as he contended, for the right to purchase the means of warming ourselves and of generating steam. Our vast resources of petroleum have been rounded up and cornered until the Navy can not find an adequate public supply. Our natural resource in iron-ore lands, whether in the North or in the South, has gone to make solvent an insanely overcapitalized Steel Trust. The man who desires to enter into manufacturing must now beg of the combinations that control the fuel for the necessary combustible to generate steam. The water power of the country, indestructible, perennial, must be held for public welfare or else there can be nothing ahead of us in times to come but a revolution that will surely demand an abrogation of the special privileges that we have so recklessly conferred.

It is not enough that our assets should be utilized, for there is no comfort in aggregate figures of national wealth; there must be an equalized distribution of benefits. We must never forget that the time will certainly come when our people through corporate entities, whether Federal, State, or municipal, will take over and operate this water power in the interests of the entire public.

Now as to this question of agency. If we, the people of the United States, choose to employ agents to do for us what we can do for ourselves, and what we have splendidly done for ourselves in the case of the Panama Canal, we must first of all see to it that our agents are fairly treated. They must be protected against unnecessary risk. They must be permitted to make reasonable combinations, for there is no such thing as practicable competition in public utilities, and next we must see to it that they are controlled in the public interest. Wherever the element of risk is large, whether from uncertain earnings or possible competition, we must admit a large element of profit. Wherever we exact unreasonable terms we must expect to pay unreasonable charges. But ever and always we must realize the necessity of leaving those who follow us a lawful opportunity to resume the powers that we, in our short lives and possibly in our short-sighted policy, have delegated to others.

The gentleman from Alabama set forth an obvious truth when he contended that a public utility of such a nature as water

power is inherently a monopoly and that competition in providing this facility means duplication and waste. As to this view, he can have no contention with anyone who believes in conservation. All the more reason, then, for full power of control and regulation. But the gentleman from Alabama overlooked the obvious fallacy embodied in an argument apparently favoring those great aggregations of capital that control water power in widely scattered sections of the country. We certainly need physical union to brace and strengthen the individual plant and supply. Adjoining plants may well be linked together, so as to render certain a continuity of service in the event of a breakdown in any plant. This physical fact has nothing whatever to do with that form of monopoly evidenced by the holding of stocks and bonds. The two sorts of monopoly are absolutely distinct and bear no relation whatever to each other. One recognizes physical and economic necessity, the other a stock-jobbing opportunity.

The bill as originally proposed is an utter absurdity. Its genesis is hidden in doubt. Somehow I feel as if the name of my genial friend from Georgia were put on as an afterthought, just as people put a sticker on a ballot to help an overlooked candidate. To any man who served on the Public Lands Committee of the House, and who heard the arguments of the water-power people and listened to their requests for amendments to the bill proposed by the Secretary of the Interior, this bill is a singular echo of their desires and a nullification of all we strove to attain. As originally drafted it canceled all our work. It is not at all like the bill proposed by the Secretary of War, nor does it in any way recognize the theories he propounded in his letter to the chairman of the Interstate Commerce Committee, both of which documents will be found in the hearings on the bill held before that committee.

It has been charged that we, who have been opposing some of the features of the bill, represent a jealous attitude as between two committees; that the jurisdictions over the public lands and over navigable waterways were distinct, and that we were going out of our preserves. As a matter of fact, the bill as originally drafted absolutely negated any control by the Secretaries of Agriculture and the Interior over the waters in the public domain that were in any way tributary to any portion of any stream that was navigable. But it was not on this account that we have entered our objection. We who believe in the utilization of the common property of all the people for the benefit of all the people are not especially worried over questions of jurisdiction. It makes no difference to us whether the water power of the country rests in the hands of the Department of the Interior, the Department of War, or the Department of Agriculture, only provided that that jurisdiction is so enforced as to result in proper utilization, proper development, good service, and reasonable prices. The Government engineers have been given mandate to report on water power. This they have failed to do. Dams have been built on water under the jurisdiction of the Secretary of War, apparently without his consent. The War Department must wake up to its responsibilities. Some day there must of necessity be a strong Federal utilities commission to assemble control of national assets and to exercise the discretion called for by varying conditions. It is for such control that we have so insistently fought the original bill, and have insisted upon amendments. The amendments suggested up to date grant to the Department of the Interior jurisdiction over lands on the public domain. Furthermore, they, in an uncertain and halting way, destroy the provisions of the original bill which go to make the tenure of rights under the Secretary of War perpetual, and cut them down to the limitation of 50 years after the completion of the dam.

But the same blind language stands, compelling purchase of everything remotely connected with the dam before we can resume our ownership of our leased property. We are compelled to pay for the last mat or advertising space in the last street car before we can come into our own. The bill also provides for regulation in the public interest by the Secretary of War when the States have not been granted by legislation adequate authority to control the service in the public interest. But there are some serious lapses still to be cured. The gentleman from Alabama [Mr. UNDERWOOD], in his long address on the subject, spoke of the utilization of electrical power for the production of chemicals needed in agriculture. He spoke feelingly of the export duty on Chilean nitrates, amounting to upward of \$11 a ton, which has largely supported the Government of Chile. Now, if this water power be utilized for the production of an electric energy that may be required by many separate individuals or by municipal or other corporations, it would come under the jurisdiction of the State commissions. But we are asked and have been asked to practically donate our greatest asset without limitation or control, if it be used for private manufacturing.

The gentleman from Alabama is hostile to the proposition of raising Federal revenue in consideration of granting our rights to water-power sites or to water power.

Now, first of all, why should not the Federal Government receive compensation for water power granted, where the Federal Government has the undoubted right to grant or to withhold? The answer will be made that such compensation would at once be taken out of the consumer. This sounds entirely plausible until we stop to analyze the situation. Let us suppose a municipal community that needs 100,000 horsepower to operate public lighting, street railways, and privately owned plants. Let us suppose that 25,000 horsepower may be furnished under water-power grant by the Federal Government. Let us suppose that this water power may be furnished at a cost of less than \$20 per horsepower per year from water power, whereas coal will cost \$40 per horsepower. Now, who is to receive the benefit of the cheapened power? It would be unfair to discriminate between those who, by the use of one natural resource, could receive the benefit of a cheapened rate, while those who by the use of another natural resource should have to pay more for the energy they need to perform their business functions. Here is a case where the Government, for the time being, at least, can and should step in with a demand for compensation which would not in any way oppress the average consumer but would detract from the swollen earnings of the agent. Take another case: Let us suppose that by the erection of a dam on a navigable waterway the Federal Government, by the expenditure of large sums of money, has created a potentially large horsepower. Under what process of reasoning should the Federal Government not charge for the utilization of this wealth created by Federal expenditure, and thereby relieve the burden of the general revenues from the tax made necessary by river improvements? There is no sense and no logic to be found in a contrary view. The right to exact compensation is the most fundamental method of control. It is essential, and without its recognition I believe this bill should be defeated.

The bill, even if the committee amendments are adopted, contains some extremely vicious features.

The gentleman from Wisconsin [Mr. LENROOT] answered the gentleman from Alabama as to the abuses perpetrated upon the unfortunate Alabama power company, which was driven into Canada. In Canada, at the expiration of their grant, they will practically forfeit everything they have to the Canadian Government. If at the expiration of their grant they receive anything at all, it will be because the Canadian Government believes that they possess something that ought to be bought and is of value to that Government. But in this bill, as originally drafted and even as now amended, there is a great twilight zone of doubt as to what the Government should be compelled to buy at the expiration of the term. The bill reads to the effect that the Government must purchase every item that may depend in whole or in part upon this water power for its support. In other words, if at the end of the lease there be found a trolley system connected with this hydroelectric supply, the Government must buy and pay for every broken-down car, every trolley pole, and every cash register in every car before the people of the United States can resume possession of their own common property. This section must be drastically amended or the bill will threaten perpetual franchises.

Now, let us revert for a moment to the plea of the gentleman from Alabama concerning the production of fertilizers. We know perfectly well, and I am sure that the gentleman himself would admit, that granting the right to private individuals to utilize these water powers for the purpose of manufacturing fertilizers would not result in any perceptible decrease in price of these invaluable necessities of agriculture. This business requires tremendous units of power and large investment. There will be few engaged in the industry. It will be naturally monopolized and not competitive. The people producing these rare products would not need to enter into any formal trust. They would simply have a gentleman's understanding that they should charge just a little less than the importers of the foreign fertilizers charge now, so as to get into the market, and if, as would be natural and has always been the case, they should arrive at any understanding with the foreign exporters and the local importers, the farmers of this country would still be paying a price equivalent to the cost of producing Chilean nitrates, plus a profit to the manufacturers of those nitrates, plus the export duty on those nitrates, and although we would have more fertilizer, it is more than doubtful whether we should get it at a cheapened price, and if the export duty should be raised, our business-like manufacturers would at once raise their prices correspondingly. So all this talk by the gentleman from Alabama of destroying a great bene-

ficial American industry by driving it out of our country is to me absurd. In view, first, of the fact that in Ontario, where they have taken refuge, they are subject to more rigid conditions than anything now proposed or anything in the original dam act; second, that if we liberalize our treatment of these water-power manufacturers they will still be in position to take all the rake-off of export Chilean duty and yield nothing to the consuming public.

I foresee with perfect clarity the time when the Agricultural Department will be granted authority to manufacture and sell these necessary fertilizers at a price representing cost of production plus a sinking fund, and under such conditions we can foresee a real benefit to our agriculture, which needs every legitimate and nonsubsidized encouragement that can be afforded. The gentleman from Wisconsin [Mr. LENROOT] has most ably discussed this bill. In my brief time I wish to request of every Member of the House that he read the gentleman's argument and also three bills bearing on this subject—first, the bill from the Public Lands Committee, then the letter of the Secretary of War and his proposed bill, the Adamson bill, and the agreed amendments.

The question of what capital is willing to do under certain circumstances is not hard to demonstrate. In the case of the Connecticut River dam the proponents were willing to accept the conditions proposed by the then Secretary of War, Mr. Stimson, which conditions were generally indorsed and included compensation. The Secretary of the Interior and his predecessor have entered into contracts with those who were willing to make developments under reasonable conditions of public control. The Hetch Hetchy bill passed in the last session of Congress absolutely controlled the use of the water from the source to the last trickle over irrigable territory and down to the city of San Francisco in the public interest. It provided for a considerable compensation. If a public utility operated by the public and for the public and without profit may meet such conditions, how much more should a private, profit-making concern submit to adequate control.

It is natural that the water-power crowd should want all they can get. I have personal knowledge of one project where, on the basis of a promise by a former Secretary of the Interior, a firm of brokers in water-power securities started out to sell an issue of \$6,000,000 of bonds, when the entire project would have cost vastly less. I am proud to say that I was influential in stopping that particular grab.

I have had long and broad experience with those who represent capital, and I have found that capital is available on reasonable terms provided there is any certainty of payment of interest and repayment of principal. A long struggle in Chicago against the watered-up traction combination proved this definitely. Just as soon as we had fought out the fight, eliminated the water from the stock of the railways, recognized the traction companies as, for the time being, partners of the city, afforded them protection, guaranteed them as far as we could against the element of risk, then and there we secured good service and enormous revenue for the city. As a matter of course we should have transmuted this municipal revenue into lower fares, but the people of Chicago were so anxious for municipal ownership that we were forced to accept their verdict and set these great revenues aside for the ultimate purchase of the street railways, which will be bought out of their surplus earnings. The street railways of Chicago since that time have freely advertised that they are in partnership with the city of Chicago, and that their bonds are good, because their issuance is supervised by the city. In some such way as this these water powers must be handled. If we fail to operate them for ourselves in the public interest, if we believe that it is better policy to establish agents to operate them when we might ourselves perform this function, it is our bounden duty not only to treat our agents fairly but to see to it that those who come after us may in their day and generation have a fair chance to resume the functions which we, in our time, have seen fit to delegate to others, and this is the whole crux of the situation.

The question of Federal versus State rights is largely irrelevant. I, for one, thoroughly believe in the thought expressed by the President to the effect that the States have necessary functions, and that the question of proper performance of obvious duties is of more consequence than the continued assertion and wrangling over doubtful rights. The discussion should be rather as to what the States should do rather than as to what they can prevent the Federal Government from doing. The public welfare is the question, and not limitless gabfests over what men thought or did not think or said or did not say 150 years ago.

Whenever and wherever a State shows an intent and an ability to control public utilities in the interests of the people,

then and in that event I am willing to delegate to that State large authority; but in the meantime, as Representatives of the National Government, empowered and commissioned to look after the public welfare, it is our solemn duty to use whatever power we have to secure that end.

And now, in passing, I wish to make a statement concerning the fallacy upon which rests this whole structure of private control of public assets, and that is the private ownership of land. I am not going to talk in favor of any theory of land taxation or land tenure. I merely wish to state that nothing more absurd from an economic standpoint was ever conceived than this theory of final private control of this fundamental necessity, without any restraint against waste or destruction, and dedicated to the grantee and his heirs and assigns forever. It is this fallacy that has destroyed our timber, that has monopolized our coal, our oil. It is this fallacy that has permitted the extortionate extravagance of land speculation and the most tremendous charge laid upon distribution, which charge will be found in the vast aggregated item of rent. In the Ferris bill we put into words a theory and a truth, namely, that lands, rights of way, and water rights should not be subject to the unearned increment; that those coming after us should not suffer by being more numerous than we are, which has been the affliction of every country guilty of increasing in population under this doctrine. In this bill it has been taken for granted that the water-power people were not only to be protected in rights that they were to acquire for practically nothing from the public, but they were to be granted privileges of speculation in land that was not acquired from the public; that they were to profit by the breeding of people, just as every land-owner profits by that commonplace performance. This bill must be amended in this particular. We who fought the fight in the Public Lands Committee and put forward our bill thoroughly realize that our duty lay in using whatever power was ours to protect the future. In the Hetch Hetchy bill, where the city of San Francisco owned more than half the land to be flooded, and had made immense expenditures to obtain water rights, we used the leverage of the right to refuse in such a way as to impose conditions in the public interest. On the other hand, in this bill, as drafted, the water-power people could take anything they required on the public domain, whether or not it was the key to the situation, on payment of 5 per cent of its existing value. I leave it to the Members of this House which view is correct, whether it is our sworn duty to use every means in our power to protect the public welfare or whether, as trustees of the public domain, we should weakly surrender that public domain on any such absurd and inadequate basis.

In conclusion, Mr. Chairman, I would state that in our contention we have back of us the rising sentiment in favor of democracy and equalized opportunity; and it is my belief, although I am not authorized so to state, that we have back of us a man in the White House who will use a crowbar for a pen in vetoing any measure that is not duly protective of the public interest. [Applause.]

Mr. STEVENS of Minnesota. Mr. Chairman, on behalf of the gentleman from Georgia [Mr. ADAMSON], I yield to the gentleman from Missouri [Mr. HENSLEY].

Mr. HUMPHREY of Washington. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Washington asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. HENSLEY. Mr. Chairman, I make the same request.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. CLINE. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

Mr. DONOVAN. Mr. Chairman, I am going to couple with that the condition that I made.

Mr. ADAMSON. Mr. Chairman, I am willing to couple with it also the gentleman from Connecticut.

Mr. DONOVAN. The gentleman from Connecticut will take care of himself.

Mr. STEVENS of Minnesota. Mr. Chairman, I demand the regular order.

The CHAIRMAN. Is there objection to all gentlemen who spoke upon this bill revising and extending their remarks in the Record?

Mr. DONOVAN. Mr. Chairman, I shall object unless the gentleman from Missouri is allowed to proceed for five minutes.

The CHAIRMAN. The gentleman from Connecticut objects.

Mr. GRAHAM of Illinois. Mr. Chairman, I ask unanimous consent that the gentleman from Missouri may proceed for five minutes.

The CHAIRMAN. Is there objection?

Mr. STEVENS of Minnesota. Mr. Chairman, reserving the right to object, I think there is no difficulty about the gentleman being yielded that much time.

Mr. HENSLEY. I only ask for three minutes.

Mr. STEVENS of Minnesota. I will yield the gentleman three minutes.

Mr. ADAMSON. I will yield him two.

Mr. HENSLEY. I thank the gentlemen.

Mr. Chairman, at the outset I want to say that it is my purpose to support the pending bill before the House, but that is not the purpose for which I have asked for time at present.

I hardly think any person on the floor of this House will charge me with being a partisan. While I am a Democrat, I have at all times put my country above my party. Vastly more concerned am I about the welfare of this Nation, the prosperity and happiness of the people, than I am about the success of my party and the achievement of my personal ambitions. In this frame of mind, and with a deep desire to know the whole truth and to do my full duty I have attended the sessions of this House continuously.

Yes; I have been here, regardless of the hot, sultry weather and in the face of opposition in my district. I have every day given close and careful attention to everything that has been said regarding the conditions of the country as the changes have been rung on this floor.

I have listened very patiently to many, very many, somewhat remarkable speeches. Many of these have been made by the gentleman from Washington [Mr. HUMPHREY]. When there has come a lull in business, for any reason whatever, the gentleman from Washington has always bobbed up serenely and filled in the time with a wail, the like of which has rarely been heard outside of Congress or a menagerie. I sincerely hope that his doleful story has been so often told that it has disgusted the Republican side of the House, as I feel sure it has the country at large.

I have tried hard to follow him in his skyrocketing oratory, but who can follow the eagle flights of that pessimistic mind? I have observed his grotesque antics in his attempts to marshal the masses under his flag of deception, and I have grown weary of his performances. Who cares to get down into the slime and mire in order to appreciate the purposes of the gentleman from Washington or the methods he employs to further them? I have also heard the fine tenor voice of my genial and brilliant friend from Wyoming joining in a like refrain, until between them they have almost led me to doubt conditions. I have almost been led to believe at times that the administration had committed some grievous error. But let us see.

What is it, gentlemen, that causes you to complain so vociferously against this Democratic administration? Let us put our heads together and think over these matters seriously and analyze the situation carefully and discover, if we can, the reason or basis in fact for all this noise. Do you think, my worthy friends, that you are voicing the sentiments of any considerable number of the plain people of this Nation in your carefully prepared tirades in this your systematic campaign of abuse against the administration? Do you suppose the people of this Nation desire a return to Cannonism in this House when committees were selected by the Speaker instead of by the membership, yea, when legislation was autocratically controlled by the man in the chair? Do you suppose the people you represent here desire to return to the old régime when legislation was throttled by the few? The gentleman from Kansas [Mr. MURDOCK] and many others have told us time after time of such performances in the past. Do you Republicans desire to return to power in order that you may repeal the pension law that bears the name of that grand old Roman, Gen. SHERWOOD, of Ohio? Dare you lay your hands on that law which, in a measure, was fashioned after the Sulloway bill, which failed of enactment in the Sixty-first Congress when you were in power? Do you suppose for a moment that the old soldiers of this land desire to see you returned to power in the face of this just legislation which properly recognizes their services and enables them to enjoy the comforts of life in their old age? You certainly do not desire an opportunity to repeal this legislation.

Do you think for a moment the people of this Nation wish to return to the Payne-Aldrich-Smoot tariff as against the Under-

wood law? The Underwood tariff bill was written intelligently and in the interest of the whole people, not for the favored classes. No master mind of the Manufacturers' Association guided the hand that wrote the schedules in the Underwood tariff bill. There was not the faintest suspicion that lobbyists influenced either the writing or passage of this law. It was enacted by a vote of 255 to 104, many Republicans voting for it. Are these loud lamentations caused by the administration having put upon the statute books the income tax, which requires the wealth of the country to bear a just share of the burdens of Government? As you know, this law requires the rich to pay taxes upon their riches and to that extent removes the burden from the poorer classes. You know that this law is popular with the masses, and you dare not lay hands upon it.

Mr. GOOD. Will the gentleman yield?

Mr. HENSLEY. I would rather not yield; but if it is just a question, I will.

Mr. GOOD. It is a question. I would like to ask the gentleman what Republicans voted for the tariff bill. I think he is mistaken about that.

Mr. MURDOCK. The gentleman from Wisconsin, Mr. STAFFORD, was one.

Mr. GOOD. He was not elected on a Republican ticket.

Mr. BOOHER. All the sensible Republicans voted for it. [Laughter.]

Mr. HENSLEY. Several Republicans of the House and Senate who were fearless and patriotic voted for it.

Now, Mr. Chairman, I can not yield further. Are you weeping and wailing because we Democrats in Congress routed the American Manufacturers' Association from these halls? Do you wish to see the representatives of this association again domiciled in this Capitol with Mulhall enthroned as its legislative agent on a fabulous salary? Are you sad because you no longer have the paid agents of giant combinations of capital acting as clerks of the committees of Congress and receiving large sums as presents from these powerful interests for their nefarious and corrupt practices? Do you not, gentlemen, remember how you ridiculed and scouted the idea that a lobby infested this Capitol when this fact was declared by the President of the United States? What have you to say now after you have read the testimony taken by the investigating committees of both Houses of this Congress? You know that this testimony shows conclusively that there existed a most powerful lobby which had for its original purpose the defeat of all legislation inimical to certain great corporations and protected interests. If this Democratic administration had only to its credit the routing from the Capitol of the most powerful and corrupt lobby that ever existed in this or any other country, I am quite sure the people would be entirely satisfied and would say, "Well done, thou good and faithful servant." If you were returned to power, would you allow this lobby to return? We found it here, and sent it into exile. [Applause on the Democratic side.] Why did not you? Do you desire its return?

Mr. CLINE. Will the gentleman yield?

Mr. HENSLEY. Certainly.

Mr. CLINE. I want to call the attention of the gentleman to the fact, since he has referred to the manner in which legislation was conducted during the Republican administration, that under the old régime a good many bills were carried to a well-ventilated morgue for the disposition of that kind of legislation that they were not in favor of. That was particularly true, as developed in the inquiry by the Judiciary Committee in the testimony of a gentleman who had charge of a subcommittee for the purpose of controlling legislation which it was not desirable to vote upon. He held that position for nearly seven years. That was the gentleman from Maine, Mr. Littlefield, who stated in his testimony that he was appointed for that purpose and had sufficient men appointed with him to see that no legislation got out of his committee that was not desirable. He thought that was the proper function of that committee.

Mr. HUMPHREY of Washington. What committee was that?

Mr. CLINE. The Judiciary Committee; and the members of the National Association of Manufacturers thought so much of what the gentleman did that they spent \$18,000 for his election in Maine in 1908, and as a further testimonial of his ability they handed him \$3,000 to defray his expenses to the Pacific coast to recuperate his health. The fact was that this committee constituted an automatic, self-oiling, ball-bearing institution that worked with the noiselessness of a passing summer cloud. [Laughter.]

Mr. HENSLEY. I thank the gentleman from Indiana. I recall that the gentleman from Indiana was on the special committee which investigated the lobby situation.

Do you desire to return to that condition when the great banking houses in New York maintained a secret agent in the Treasury Department to communicate in advance all important

rulings of the department that might affect their interests? Certainly such agents were not domiciled here to protect the interests of the masses of the people of the United States. Do you complain of these changes? Honestly, gentlemen, do you object to the Treasury Department's requiring banks to pay interest on Government deposits? Are you really sorry that some millions in interest have been paid on the people's money within the year? You did not require the great banks to pay interest on deposits when you were in power. Why did not you? While you did this for the powerful banks, yet when the people needed money they were compelled to pay the banks all the interest the traffic would bear. You did not make favorites of them. This was a beautiful plan of copartnership between the Government and the national banks at the expense of the people. Under a Democratic administration the Secretary of the Treasury distributes the money of the people, not to a few favored banking institutions free of charge, but all over the country as the needs of business require at a fixed rate of interest. Are the people of the United States complaining of these things?

For many years the laboring classes appealed in vain for progressive legislation, legislation which common decency and the instincts of humanity should have prompted you to enact. This legislation had for its purpose the improvement of labor conditions throughout the land, but in your committees all such bills "slept the sleep that knows no waking." When they "asked for bread, you gave them a stone"; when they "asked for a fish, you gave them a serpent."

This administration has responded in every way possible to the call of these millions of toiling citizens. If our form of government is to be perpetuated and our liberties vouchsafed to posterity, and if our flag is to be kept unsullied, if our homes are to be safeguarded against the despoiler, it will be through the efforts of the men and women of this land who "eat their bread in the sweat of their face." Why did not you respond to their reasonable demands?

A Democratic Congress originated the bill which placed a representative of labor in the Cabinet. I am proud of the fact that I was a member of the committee which reported the bill, and I appreciate the honor of having assisted in its passage. To-day we have a Secretary of Labor, the Hon. W. B. Wilson, who sprang from the loins of labor and whose heartbeats and emotions are in accord with the hopes and aspirations of the great body of toilers in this land. Do you gentlemen wish to take this Department of Labor out of the Cabinet? The bill passed the House by almost a solid vote, many Republicans voting for it. The labor people worked a long time to secure this recognition. Do you think the great body of American people will turn against the Democratic Party for responding to the call of labor in this way? Do you think, Mr. Standpatter, that labor will truckle at your feet and "kiss the hand that smote it in the past"?

This administration has enacted laws shortening hours of labor; this House has also passed a bill to prohibit the importation of convict-made goods. The anti-injunction law is to the credit of this Congress. Do you wish to be returned to power in order to repeal any of these? Would you dare touch one of them? The amendment to the Erdman Act, which provides mediation, conciliation, and arbitration in disputes between capital and labor, was a great achievement. The bill passed almost unanimously. The gentleman from Kansas [Mr. Murbuck] commended not only the act but the President in unstinted measure.

In the name of high heaven, gentlemen, what is it that is troubling you? You can not be violently opposed to the currency law, for many of you voted for its passage. You were never able to write and put upon the statute books a currency law. Those of you who prize your country more highly than you do your party, especially the Progressives, joined hands with us in passing some of these remedial laws, and it is to your credit that you did so.

Big business tells us that no trust legislation should be enacted at this session. Do you agree with big business? Do you believe that we should adjourn and leave our work unfinished? However much I may desire to go home after being here nearly continuously for three years, I prefer to stay and discharge my duties to the people of the Nation, even though I suffer defeat for renomination at the hands of my constituents. This is the test, and every Member should meet it squarely. We promised to take this Government out of the deadly grasp of big business and restore it to the common people, and by the eternal we are going to do it, if it takes all summer.

This House has gone on record for good roads, something you never did in all the days you were in power. We believe in internal improvement, and are responding to the will of the people in this regard. Do you object to this? Then, why did

you not register your votes against the good-roads bill? It passed the House almost unanimously.

Have we ruined the country by responding to the voice of the people in providing for the election of United States Senators by direct vote of the people? We also provided for publicity of campaign contributions, to prevent corruption in politics. The people believe these are good laws. Are you opposed to them? Why did so many of you vote for them?

I have briefly enumerated only a few of the accomplishments of this Democratic administration. We hope much may follow. I am persuaded that any candid individual, irrespective of party affiliations, will say, without equivocation or mental reservation, that this administration in less than two years has put more just remedial legislation upon the statute books than you placed there in all the 16 years you were in power. [Applause.] Strong Republicans subscribe to this fact, and many of them will join us. They are patriotic and more interested in the proper administration of affairs and the prosperity and happiness of all the people than they are in the success of the Republican Party.

As to our foreign policy, that you can hardly find language violent enough to condemn satisfactorily to yourself, what radical changes have been made in our foreign policy that merit such condemnation? What does the Republican Party desire as regards Mexico? Do you desire occupation by our Army? Do you want to go on record as favoring conquest? You do know that such a curse would necessitate, first and last, the sacrifice of thousands of American boys, saddening and desolating many homes in this beautiful land. Would you shoulder arms and go to the front, or would you send your boys? No; you would do neither, but would be found in company with our friend from Kansas, Mr. CAMPBELL, "staying here on the job." [Laughter.] Do you not know that big business, such as you and your party fostered for so many years when you were in power, is very largely responsible for existing conditions in Mexico? And do you not know that in case of war every American boy whose life would be sacrificed would be a sacrifice on the altar of big business? Our Nation could not profit by such a war. Only the vampires that are now sapping the lifeblood of that country would be benefited. The red blood of American youth spilled in such a war would only enhance the value of the investments of big business. Such a war would be destructive of the sacred principles upon which our glorious Republic is founded. Do you really want this thing done?

Do you not know that you can just as certainly dishonor the flag of your country and drag its folds in the mire by improper conduct on this floor as you could by turning your back to the enemy on the field of battle? War of this kind—or any other kind, in fact—I pray, may never come to our country. I do not want to entail an indebtedness of hundreds of millions of dollars unto our children and unto our children's children; much less do I wish to sacrifice the flower of American citizenship in such a war as a conflict with Mexico would be.

Thank God we have a President whose heart is made of flesh, not adamant; who is big enough, patriotic enough [applause]; yes, and determined enough, to repress and suppress the short-sighted, unpatriotic gentlemen who so foolishly counsel a declaration of war. [Applause.] I wish to call your attention and the attention of the country to the fact that during the last years of Mr. Taft's administration conditions in Mexico were about as bad as they are now. Men, women, and children were being killed even over the border line in the United States. These were our citizens, if you please, and while it appeared to be popular to assail President Taft at that time, for he was on his last legs, yet not a Democrat raised his voice against the President of the United States, for he was the President of all the people. Not a Democratic voice was heard in condemnation of the foreign policy of the last administration. But how times have changed since a Democrat occupies the White House. It remained for a Republican to assail with all the bitterness of which he was capable, vituperation unsurpassed, the President of the United States when he has pursued the very same policy a Republican President pursued before him. Now, quit your croaking and join hands with us to make better and more glorious this great country of ours. If you were returned to power, which is impossible to contemplate, because of the intelligence and patriotism of the American people, you could not consistently make any material changes in the administrative policies now being pursued.

A few days ago I saw a cartoon in that great Democratic paper of Missouri, the St. Louis Republic. It was a picture of a huge bag being filled with wheat and upon it were the figures showing the estimated bumper wheat crop for the season. Off in one corner was shown a withered tan-faced creature, a calamity croaker cowering and quaking in dire distress over

what he witnessed. In some respects I think the figure resembled the gentleman from Washington. [Laughter.]

But you say the administration is not entitled to credit for a bumper wheat crop. If this is true, and I do not dispute it, then the Democratic administration is not responsible for the devastating and withering drought prevalent in my district and should not be held responsible for it.

We must move forward. The welfare of the whole country depends upon progression, not professions of progression, but progression written in the statutes for the good of mankind. We can not stand still if we hope to attain unto the best, but we must press onward and upward to a higher and nobler plane of civilization. We must rise to that point where he who toils will be able, because of equitable and just laws and conditions, to enjoy the full usufruct of his toil. [Applause.] Our Government must be so organized and administered that we may properly distribute the products of the mines, the factory, and the field, so as to give equal opportunities to every individual and a square deal to all mankind. [Applause on the Democratic side.]

Mr. ADAMSON. Mr. Chairman, I ask unanimous consent that all who speak upon this bill be allowed to revise and extend their remarks in the RECORD.

The CHAIRMAN. The Chair doubts if that can be done in committee.

Mr. ADAMSON. I think it can, for all who speak.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that all who speak on this bill may have leave to extend their remarks in the RECORD. Is there objection?

Mr. DONOVAN. If we can get unanimous consent that the gentleman from Missouri [Mr. HENSLEY] may proceed for five minutes, I will not object.

Mr. STEVENS of Minnesota. Mr. Chairman, I yield to the gentleman from Michigan [Mr. MACDONALD].

Mr. MACDONALD. Mr. Chairman, I am indebted to Mr. Harry A. Slattery, the secretary of the National Conservation Association, for some historical data in regard to this legislation that I should like to incorporate in my extended remarks on this bill, and I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STEVENS of Minnesota. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, I desire to record my hearty approval of the bill under consideration introduced by the gentleman from Georgia [Mr. ADAMSON], known as the Adamson amendment to the general dam act.

It is not my purpose to consider the subject matter of the bill in detail or the amendments to be offered by various gentlemen. However valuable the suggestions are that may be offered in the way of amendments, in order that the prospect of legislation may not be endangered, it seems to me preferable that we should accept the results of the continued study that has been made by the Committee on Interstate and Foreign Commerce.

While the gentlemen anxious to secure the best arrangement possible for the Government are to be commended for their zeal, they must not lose sight of the fact that private capital must be induced to invest in these projects and conditions must not be made so severe that a suitable return on their investments becomes impossible.

It would seem to me that the differences which have arisen during the discussion of the bill and the efforts to secure amendments to it are the result of a possible interlocking of authority between two great departments of our Government—the War Department and the Interior Department. It has been a well-established regulation that the control of navigable streams should come under the supervision of the War Department.

In the settlement of the vast sections of the West the authority of the Interior Department over streams in public domains has been increasingly recognized.

We of the East have not had occasion to consider this dual authority or the authority of the Interior Department, and in the present instance we are very anxious that the confusion between the respective departments should not endanger the possibilities of the enactment of this legislation.

In reading the redraft of the bill of the committee, it would seem to me that this possibility is to all intents and purposes so completely removed that it becomes a very minor consideration.

The bill in question deals with two great problems—first, navigation; second, development of electrical energy.

While the Federal Government must primarily consider the question from the standpoint of navigation, it nevertheless must

recognize the interdependence of the one upon the other in the cases wherein this bill is applicable.

It is in this mutual relationship that my district is greatly interested in this bill. Its enactment will be the beginning of a long-delayed act of justice to an important part of my district.

For many years we have heard a great deal about the conservation of the natural resources of the country, especially as applied to the West, but gross negligence has been shown toward the conservation of the resources and opportunities afforded by one of nature's most beautiful streams.

Frequent reference has been made during this debate to what is a navigable stream, and as a matter of record I will insert here the Supreme Court decision:

EXTRACT FROM SYLLABUS OF A DECISION BY THE SUPREME COURT OF THE UNITED STATES IN THE CASE OF "THE DANIEL BALL" (10 WALL., 557), DEFINING A NAVIGABLE WATER.

Those rivers are public navigable rivers in law which are navigable in fact. Rivers are navigable in fact when they are used, or are susceptible of being used, in their ordinary condition as highways for commerce, over which trade and travel are or may be conducted in the customary modes of trade and travel on water.

And they constitute navigable waters in the United States within the meaning of the acts of Congress in contradistinction from the navigable waters of the States when they form in their ordinary condition by themselves, or by uniting with other waters, a continued highway over which the commerce is or may be carried on with other States or foreign countries in the customary modes in which such commerce is conducted by water.

(NOTE.—Rafting and the floating of logs are recognized methods of navigation.)

Flowing between the States of New Hampshire and Vermont, across the States of Massachusetts and Connecticut for 345 miles, the Connecticut River most certainly comes within this decision. From its mouth to Hartford, Conn., a distance of 52 miles, there is a 12-foot channel, and boats of that draft use that portion of the river. Above Hartford it is navigable but not navigated, and it is to secure this desired result that we ask for the passage of this bill.

My colleague, Mr. GILLET, has already spoken of the long-continued effort to secure an appropriation to make the river commercially navigable, of the opposition of the War Department, and finally of the approval by the engineers of the scheme to combine an electrical development for navigation.

When it has seemed that results were about to be accomplished new difficulties have arisen until, finally, in the last Congress the constitutional question of the relationship between State and Federal authority arose to defeat or delay the proposition. This having been now thoroughly discussed and understood, and the Supreme Court having passed upon the question, we ask that no further quibbles should be placed in the way of the final accomplishment so long and so eagerly desired.

The Legislatures of Connecticut and Massachusetts through special commissions have both given their approval to the plan proposed and have urged prompt congressional action.

Briefly stated it is this: At Windsor Locks, Conn., there are an old dam and locks built under charter from the Connecticut Legislature in 1824. This right is now controlled by the Connecticut River Co., which has ample financial backing. The company will accept such form of contract as the Government and State may offer. It is prepared to construct a dam and locks at very large expense—approximately \$5,000,000—presenting them to the Government for navigation purposes, provided they can use the power for electrical development.

It is estimated that water sufficient to develop 35,000 horsepower is now aimlessly and uselessly flowing to the sea.

Conservationists are defeating their own ends if they oppose the use of this tremendous amount of power, which can supply an area having a population of several hundred thousand people with cheaper light, heat, and power, nor should the question of Federal or State authority or that of authority of the War or Interior Departments longer delay this development.

We should certainly have sufficient confidence in the knowledge of an important committee as the one having this matter in charge to properly safeguard the public interests.

In addition to this an almost incalculable benefit will come to the people of this section through navigation on the Connecticut River as far as Holyoke by the construction of a channel 12 feet in depth at a comparatively small cost to the Government.

Freight tonnage of the section is over 3,000,000 tons per annum, upon which there will be an estimated saving of about 20 per cent in rates.

It is estimated that there will be a saving of between 60 and 80 cents per ton on the million and half tons of coal consumed annually on the places directly affected.

I have only thus briefly referred to the great benefit to the entire business interests of western Massachusetts this bill will permit.

There was never a time when the legislation was more needed than now. The section is hard hit by Democratic times. Business is at the lowest ebb it has been in many years.

The manufacturing centers of Springfield, Holyoke, Chicopee, and West Springfield manufacture goods valued at over \$100,000,000 annually.

The great paper mills of Holyoke alone manufacture about 125,000 tons annually.

I therefore ask for its favorable consideration in order that this long-delayed benefit to the section I represent may be soon under way and that the wasteful negligence of the past may be promptly overcome.

We can then have a practical illustration of the benefits of conservation.

The people of the section have waited patiently; their patience has ceased to be a virtue.

I ask that Congress shall not again disappoint them and deprive them of their just rights, for which nature needs so little assistance to bring practical results. [Applause.]

Mr. STEVENS of Minnesota. Mr. Chairman, I now yield to the gentleman from Iowa [Mr. Good].

Mr. GOOD. Mr. Chairman, a few days ago the Washington Post, an independent newspaper, published an editorial entitled "The farmer loses," it appearing in the issue of the Post of July 14, 1914. I ask unanimous consent to extend my remarks in the RECORD by printing that editorial in the RECORD.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to extend his remarks in the RECORD. Is there objection?

Mr. MURDOCK. Mr. Chairman, reserving the right to object, what is the article about?

Mr. GOOD. About the losses sustained by the farmer through the announcement of the Democratic tariff law.

Mr. LLOYD. Did I understand the gentleman to say that the Washington Post is a Democratic newspaper?

Mr. GOOD. Oh, no; an independent newspaper.

The CHAIRMAN. Is there objection?

There was no objection.

The editorial referred to is as follows:

"THE FARMER LOSES.

"In the 10 months ended April, 1914, the value of foreign foodstuffs imported into the United States increased \$10,000,000, or \$1,000,000 a month. This money, which should have gone to the American farmer, went to foreign farmers.

"In the same period the exports of American foodstuffs decreased \$64,416,000, or \$6,400,000 a month.

"The adverse balance against the American farmer, so far as dealings with the outside world are concerned, is \$75,000,000 in 10 months.

"During the 10 months ended April, 1914, there were imported 20,058,998 bushels of oats, as against 714,767 bushels imported during the same period ended April, 1913. Comparing the same periods, there were imported 1,854,054 bushels of wheat against 769,329; other breadstuffs, \$2,602,952 against \$1,362,630; fruits, \$26,155,168 against \$21,635,382; nuts, \$722,217 against \$636,290; butter, \$1,633,515 against \$253,513; cheese, \$9,302,438 against \$7,683,390; olive oil, \$6,444,247 against \$5,815,810; prepared vegetables, \$3,015,545 against \$2,772,100; fresh vegetables, \$1,468,396, against \$1,308,821. The importation of eggs during the 10 months ended April, 1914, amounted to 5,043,765 dozens, valued at \$1,000,000.

"These are staples produced by American farms, orchards, and gardens. The new tariff reduces the duty upon these articles and opens the market to foreign farmers. The foreigner has seized this opportunity and is now making \$1,000,000 a month which formerly went to the American farmer.

"The consumer gets no benefit from this tariff reduction. The price has not gone down on a single article mentioned. The high tariff formerly kept the foreigner out and gave this business to the American farmer. The new tariff throws the business to the foreign farmer, who, with the middleman, pockets the benefit, and the consumer pays as much as he did before. The only loser is the American farmer.

"This loss of \$1,000,000 a month covers only 10 months of the new tariff. It is natural that the loss should be greater as soon as foreign farmers awaken to the splendid opportunity offered by the American market. The more they take advantage of this opportunity the more the American farmer will lose.

"The only way to prevent this loss to the American farmer is to put the bars up again, and shut out the foreigner. The experiment has been in effect long enough to show that it does not decrease the cost of living.

"Maybe this item of \$1,000,000 a month loss through the low tariff will be borne in mind by the American farmer when he votes next November for Congressmen who frame tariff bills."

Mr. RUSSELL. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by printing a letter from Gen. W. H. Standish, now of my district, formerly attorney general of the State of South Dakota, who is very deeply interested in the subject of dams, this letter being upon that subject.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The letter referred to is as follows:

REEDS SPRING, Mo., July 16, 1914.

Hon. J. J. RUSSELL,
Washington, D. C.

MY DEAR MR. RUSSELL: I am in receipt of the Adamson water-power bill, H. R. 16053. So far as it goes it is a very fine bill.

I inclose to you a petition, signed by 760 of the residents of this county at six different post offices, to wit: Hurley, Crane, Elsey, Galena, Cape Fair, and Reeds Spring. The petition reads thus:

"To the Sixty-third Congress of the United States of America:

"Our homes are in Stone County, Mo., where natural water-power sites exist in certain places, which, in our opinion, should be developed by the use of dam and tunnel together, and thereby retain for farming purposes a large portion of our bottom river lands and cause a more economical development of water power than by dams alone, and we believe this mode of development will give cheaper rates and better results to the public than by the use of dams alone. We believe the whole subject of where dams should be placed and whether tunnels should be used in connection with dams should be first submitted to the public-service commission of our State, with authority for it to draw any bill for Congress which said commission believes would be for the best interest of the public, and include in such bill a provision for a tunnel in connection with the dam where the commission believes it would be for the interests of the locality and the public at large. This petition would require only such modification of the pending bill in Congress as to authorize tunnels in connection with dams where the interests of the public would be promoted thereby, and that applications for dam construction should be first submitted to the public-service commission of the State, for it to examine into the matter and report its advice either to Congress or to the War Department agency.

"The public-service commission of the State is peculiarly fitted to do this work: better so, probably, than any other body in the United States. Your bill recognizes that this body shall have the right to fix and control all the business of the company done within the State where the dam is to be located and the power distributed. In the State of Missouri this body controls the amount of stock and bonds that shall be issued, and every step from the beginning to the close of construction, and everything thereafter in the operation; so much so, that if the manager of the company should be the majority owner of all the property of the plant, and such manager should not comply with the orders of the board, it could and would remove him and install another manager. In this way this board at once learns the cost of building a dam, either whether it is a solid concrete dam or a hollow, reinforced concrete dam, so that after the first dam has been constructed in the State and the matter thrashed over in the issuing of stock and bonds and the fixing of rates, this public-service body, when the measurements for any plan are submitted to it, can approximately tell at once what the cost of any proposed dam will be without the taking of any testimony. Besides, our public-service body has expert engineers employed by it to go out and examine the site and report on its suitability. Where there are such conditions as exist in Stone County, Mo., Taney County, Mo., and in other portions of Missouri, with crooked rivers located in the mountain part of the State, and there are narrow bends that can be had where it is certain that a tunnel to form all water-power necessities can be put through the bend for probably one-third of what a second dam can be made, and the pondage land around the bend that would be submerged purchased—and there are plenty of such places—and where the river around the bend is of no use for navigation, and the people of the locality prefer and petition for the tunnel instead of a second dam, there should be a right vested in this local body to investigate into the matter and report to Congress or the War Department their conclusions.

"This authority for the State board to thus act is made clear in the Adamson bill. When such proposition comes before the State board, the State board can fix a day for the hearing, when contractors who do tunnel work who have already examined the site for the proposed tunnel will appear before the board and submit their bids to build a tunnel which would take the place of the second dam. The State board can and naturally would require of them a safe bond for the performance of their bid in case the Federal authority should authorize a tunnel in connection with the dam and thereby save the construction of a second dam and the submergence of probably thousands of acres of land that would lie in and around the bend between the intake and output of the proposed tunnel, land in which in all cases is the richest in the State.

"This examination and hearing need not take over 30 days from the time the matter is presented to the State board for the State board to make its report. The interest on the amount that will be saved by having the tunnel instead of a second dam will go that much to reduce the cost of power to the public and tend to increase water-power development, and will lessen the sum to be paid for the property at the end of the 50-year period, when the permit is to expire. The people of the locality will not prefer the tunnel where the river around the bend is needed for navigation, nor will the State board recommend it. This competition that will be created by the right to bid will prevent the possibility of collusion between the officers of the water-power company and those who do the construction, which could be secret and never discovered or discoverable by the State board. If the department or Congress shall authorize dam construction in our mountain regions at places where the back water would intrude on that part of the river that would be in a bend, between where the intake and output of such a tunnel would be, the possibility of having a tunnel thereafter would be destroyed.

"After the dam would be authorized by Federal authority the State Utility Board could not authorize a tunnel, even though it might save a million of dollars in the development. If the State board is suitable and competent to authorize everything about the development after it is once authorized, it is a suitable body to examine and advise the Federal authority before the project is started, and this plan will aid the State board in its supervision of the development after it is started, because it will know to a certainty what the tunnel is to cost or has

cost. It will be safer for the public to have tunnels made in such cases than dams to take up the fall around the bend, because no matter how careful our engineering bureaus are, with dams we are liable to have Johnstown floods, digging out by the water on the lower side of the dam, so that when a flood comes it will tip over, as was the case of the big dam in the Missoula River near Great Falls, Mont., a few years ago. Only a few years ago we had two great dam washouts, causing the loss of life and much property. Under this new bill water-power development is likely to proceed ten times faster than it ever has before, which is desirable, as the public needs the cheaper power, but with this ten times of increase there will be ten times the chance for washouts of dams. A tunnel never washes out. It will last forever without an accident. The dam near the mouth of the tunnel which creates the reservoir or pondage will receive but a small portion of the water over it that would go over it if there was no tunnel to draw the pondage off, and therefore it will be made more safe, and around the bend when floods come ties and timber can be floated the same as now, without any injury to the power property.

In relation to the diversion of the water of all our small streams through a tunnel, the Government now has 22½ miles of tunnel of the same character in which it diverts water from large rivers for irrigation purposes, because it will be of greater benefit to the public than to leave the water in the river. But here the water goes immediately into the river and saves thousands of acres for farming."

I desire to call your attention to the character of the petitioners for tunnels in connection with dams in water-power developments. Many of these petitioners are personally known to you; some of them are known to Mr. HAMLIN, of Springfield, and to our Senators. To begin with, this petition is signed by all of the men who have been sent from our county to our legislature during the last eight years. Two of these are Progressives—Hon. Truman S. Powell and Theodore Tromley. One, W. C. Woods, was a Taft Republican. The other, W. D. Craig, is a Wilson Democrat, and was elected as a Democrat to the legislature. The petition is practically unanimous from these different towns. It contains all our bankers, our county officers, our editors, our lawyers that have had a chance to see it, and nearly every merchant—men of the utmost integrity and clearest judgment and who know local conditions thoroughly. I hope that the authority which they petition for will be incorporated into the Adamson bill to authorize State utility boards to have 30 days' time to consider and recommend applications that are to be made to Congress, or the War Department, for dam permits. I see no harm of any kind that can arise from this, no prejudicial delay to the enterprise in protection to stockholders and bondholders as well as the public, but a large reduction in rates, the saving of millions of acres of bottom lands in the United States for farming purposes, and less expense to the Government to take over the property at the end of the permit, because at that time I look for the Government to own and operate every water power in the United States.

Sincerely, yours,

W. H. STANDISH.

Mr. STEVENS of Minnesota. Mr. Chairman, I yield 30 minutes to the gentleman from Minnesota [Mr. SMITH].

Mr. SMITH of Minnesota. Mr. Chairman, I take occasion at this time to repeat what the chairman of this committee stated on Saturday last. He said:

I will remind the Committee of the Whole that there is not a single amendment in the 14 that the committee is going to offer that is inconsistent with the bill as originally drawn and introduced in this House. We discussed them over and over again, and we suggested these amendments and they were agreed to by the other side.

I further desire to state that I made this statement in opening the argument, that the fears of the gentleman were entirely imaginary; that the English language did not justify any such conclusion as they tried to deduce from the language of the bill. Mr. Chairman, I am so happy that the amendments we are going to propose, and of which I gave notice, are satisfactory to the gentleman that I have nothing further to say. I hope we will proceed with the debate and adopt as soon as possible this great and valuable constructive measure on the most important subject to the country that has been before Congress for a long time.

I heartily agree with the latter portion of that statement as to the importance of this subject. I do not quite share in the chairman's optimistic view, that the amendments which he has offered are all of the amendments that are necessary.

DEFECTS OF AMENDED COMMITTEE BILL.

The Interstate and Foreign Commerce Committee, through its chairman, the gentleman from Georgia, presents an amended bill, bearing the label "Committee print, with amendments."

A number of the defects noted in the original bill are remedied, in part or whole, in the new amendments. But, I submit, the cardinal shortcomings of the original bill are still inherent after amendment.

Among the defects which have not yet been reached are the following:

First. The amended bill utterly fails to provide anything like definite, tangible, authoritative, and efficient regulation of hydroelectric utilities, notwithstanding the fact that the bill is based on the doctrine that a hydroelectric utility is a monopoly and that, as such, it must be subject in its operation to effective regulation both in the interests of the Government and the consumers.

Second. There is no provision for joint or interlocking Federal and State supervision of such hydroelectric utilities, although the electric current generated by such projects enters both local and interstate commerce, and therefore requires the joint or cooperative regulation of the Federal Government and the State, if regulation is to be effective, with no "twilight zone" of governmental jurisdiction.

Third. The bill still provides:

That the rights herein granted shall continue for a period of 50 years—

Which leaves the Government no option or leeway in regard to the term of the grant, which might readily be provided by substituting the more salutary phrase, "for the period of no longer than 50 years."

Fourth. The bill gives the Secretary of War jurisdiction in fixing charges in two fields over which the Secretary of the Interior has administrative authority, namely, in the case, first, of "headwater improvements of every kind, nature, and description, including storage reservoirs or forested watersheds or land owned, located, or reserved by the United States at the headwaters of any navigable stream"; and second, in the case of "lands acquired by the United States through purchase or condemnation and any part of the public lands withdrawn by the President from entry or disposition for the sole purpose of promoting navigation." Joint control by the Secretary of the Interior and Secretary of War, or by the water-power commission of three, as proposed in House bill 17854, would certainly be more conducive to a harmonious, efficient, and businesslike administration of such public domain and headwaters than by giving the Secretary of War jurisdiction in a field which distinctly belongs to the Secretary of the Interior.

Fifth. H. R. 16053 still lacks a proper provision for priority of public purpose and use of Federal water powers as against commercial use, and in that respect is inferior to the water-power acts of all progressive nations.

Sixth. H. R. 16053 still retains in section 15 that indefinitely worded exemption from the provisions of the antitrust law, which would prove so useful to a water-power trust or hydroelectric group, namely:

Provided, however, That it shall be lawful, under the approval of the Secretary of War, for different grantees to exchange and interchange currents, to assist one another whenever necessary by supplementing the currents or power, and enable any grantee to secure assistance to carry on the business—

And so forth.

Nobody knows what this provision means, unless it is to give a water-power aggregation full immunity to do what it pleases.

Seventh. Under section 13 the bill makes all the provisions of the proposed act a vested right to the favored grantee, and deprives Congress of its customary right to "alter, amend, or repeal" unless and until "Congress determines that the conditions of consent have been violated." And unless "the conditions of consent have been violated," the United States is made by this section liable for such "alteration, amendment, or repeal thereof to the owner or owners or any other persons interested in such dam." Such a provision is plainly untenable.

The optimism of the chairman of the committee is only exceeded by his geniality. I know that he is anxious to get a bill on this subject that will do justice to the people of this country, and in doing so there can be no more valuable service rendered by any Member of this House than to honestly and earnestly assist in getting the best bill. I do not quite agree with my friend from Massachusetts [Mr. TREADWAY], who just addressed us, that we should always abide by the judgment of our committee. Committees are instituted for the purpose of giving certain subjects their special consideration. They perform a valuable service, and the Committee on Interstate and Foreign Commerce has done valuable service by bringing in a bill that furnishes us an outline out of which we possibly can whip into shape and make a useful and efficient bill. Of course, the gentleman from Massachusetts is willing to accept this bill. He was willing in the last Congress, or his people were, to accept what was known as the Connecticut dam bill, and this bill, possibly, is more favorable to his people. I wish they had what they desire, and I feel confident that they need just such legislation as they have been trying to get for years.

Mr. TREADWAY. Will the gentleman yield?

Mr. SMITH of Minnesota. Yes.

Mr. TREADWAY. The gentleman realizes, I trust, that the interest my people have in the matter is that of navigation very largely. I hope I made plain in my remarks what the citizens in western Massachusetts desire, and that is to secure the navigation of the Connecticut River, and the development of power is only incidental to that desire. I trust the gentleman realizes that.

Mr. SMITH of Minnesota. I do not know just the importance of the difference between the two purposes you want to accomplish, but I feel sure the project is worthy and that the gentleman should have legislation sufficient to help him realize it to its full extent.

Mr. TREADWAY. I thank the gentleman for his confidence, because I am sure it is deserved.

ANALYSIS OF BILL BY THE HOUSE LEADER.

Mr. SMITH of Minnesota. This House has been favored by a learned and exhaustive analysis and defense of the original and amended bill by the leader of the House majority, chairman of the Ways and Means Committee, the gentleman from

Alabama. All who listened to his able and instructive address, which covers five pages of the CONGRESSIONAL RECORD, were not only entertained by the elaborate and eloquent character of the address, but also by these two facts, namely, that the subject matter which we propose to legislate upon in this proposed act is one of most vital and far-reaching import to the industrial and commercial development of America, and, second, that this bill in its finally amended form may become one of the most historic monuments of this Congress.

There are two propositions laid down by the gentleman from Alabama to which I desire to call your attention. They reach to the heart of this measure. They have a peculiar bearing upon the purpose of this bill and the ways and means of carrying the purpose into practical execution. Moreover, these two propositions are not consistent.

The first proposition is that hydroelectric developments are "natural monopolies performing a public-utility service," and the second proposition is that "the most important feature of the bill" is that which "authorizes a recapture of the dam and its accessory works."

If the purpose of this bill was to establish public ownership and operation of the Federal water powers of this country, I should agree most emphatically with the gentleman from Alabama and with the members of the committee who father this bill that "the most important feature of the bill, so far as the public is concerned, is that provision in the bill that authorizes a recapture of the dam and its accessory works in the interest of the public," as so eloquently stated by the gentleman from Alabama.

But the object of this bill is not the public ownership and operation of water powers, but private ownership and operation of hydroelectric developments. Its purpose is to enlist private capital. Its distinct aim and purpose, as stated by the gentleman from Alabama [Mr. UNDERWOOD], by the chairman of the committee and nominal author of the bill, the gentleman from Georgia [Mr. ADAMSON], and by the ranking minority leader of the committee, my colleague from Minnesota [Mr. STEVENS], is to enlist private capital to accept water-power grants and leases, to build the water-power dams and accessory works, and to develop, transmit, use, and sell electricity thereby generated.

The purpose of this bill is to establish ownership, exploitation, and operation of the great water-power resources of this Nation by private capital. Therefore, most consistently does the gentleman from Alabama further along in his speech state:

My only fear is that it—the bill—does not hold out sufficient inducements to capital to encourage investment in such enterprises.

Has not the committee spread upon the records of this House pages of statistics to show how difficult it is to interest private capital in water-power projects?

Do you not recall how the committee has investigated and found a list of 56 financial corporations, American and European, all of whose names and addresses the committee has ascertained and published in the CONGRESSIONAL RECORD, who were so shy of hydroelectric projects that they refused to consider the financing of the Keokuk Dam?

Has not the chairman of the committee, author of the bill, also dug up the history of 16 hydroelectric corporations, representing 506,000 horsepower, which have been through receiverships or proved bad investments?

In his opening speech the author of this bill frankly told us that the purpose of this bill was "to tempt capital" to construct and operate these dams; and he bemoaned the fact that "capital is a wary old bird."

Finally, on page 12527 of the CONGRESSIONAL RECORD, he states in open confidence to the public and this House:

If this bill were allowed to pass and permit the utilization of private capital to relieve the Treasury of all these expenses, why perhaps if we could make the proposition sufficiently attractive to capital, and they could open up all this navigation and at the same time furnish the people light and the cleanest, best, and cheapest fuel, electric force enough to manufacture not only fertilizers, but every other conceivable thing that the genius of this country could think of, and make a network of trolley lines all over that fair country.

The committee in its testimony and report, its chairman, the gentleman from Georgia, its ranking minority member, my colleague from Minnesota [Mr. STEVENS], as well as the gentleman from Alabama, majority House leader, have all discussed the various measures of this bill with reference to its effect in inviting private capital, in promoting private investment, and enlisting the interest of promoters and investors in the private ownership and operation of the hydroelectric developments of this country through the instrumentality of this bill. They have told us that "the hazards of hydroelectric investment are greater than in any other class of investments"; and so, as so consistently stated by the leader of the House majority, the gentleman from Alabama, in his summing up of the vital considerations affecting the bill's purpose and mission after passage, the great

concern of its authors and supporters is "My only fear is that it does not hold out sufficient inducements to capital to encourage investment in such enterprises."

Let us, therefore, start upon this discussion with this one proposition as an established corner stone, namely, that the purpose of the bill is private investment and private operation of hydroelectric utilities. That is the central point upon which rests the whole argument of the bill's supporters.

Let us now see where this established proposition leads us. This bill provides private ownership and operation of hydroelectric developments under an irrevocable contract for a period of 50 years. We are to have such private operation of our great water-power resources for at least a half century from the day of the passage of the bill. By that time perhaps every member of this Congress will be dead and gone, and the vast majority of the adult population of the United States interested to-day in the industries and commerce of America.

Bear this in mind, there can be no recapture by the Government, except for violation of contract, for a half century to come. What, then, becomes of the proposition of the gentleman from Alabama that "recapture of the dam and its accessory works" is the "most important feature of the bill"?

Is this House legislating for the public only of that remote period a half century hence, when recapture first becomes possible? Have we no duties to the 100,000,000 people of America to-day and for 50 years to come?

Moreover—and this proposition, while true, makes the situation worse—the gentleman from Alabama demonstrates that this private hydroelectric development and exploitation is in its nature a "monopoly." To use his language again, "hydroelectric developments and public-service companies are found natural monopolies performing a public-utility service." A page of noted authorities, including leading economists, public officials, and two former Presidents, are thereupon quoted for the space of a full page of the CONGRESSIONAL RECORD "supporting the contention that hydroelectric developments are natural monopolies." The learned gentleman finally leads up to the conclusion that—

Combination is as natural in business as it is in human society. Only among primitive peoples is every man a law unto himself and an enemy to his neighbor. Combination was the first step toward civilization and is a force which will persist while civilization continues.

Accepting these two propositions as settled, therefore, first, that the prime object of this bill is to enlist private capital in hydroelectric development, and second, that such hydroelectric development is a natural monopoly, what, therefore, becomes the paramount duty of Congress in the premises? Is it not to make certain that this bill provides for a thoroughgoing system of public regulation of hydroelectric utilities? Is not such public regulation, which should be established now and to be continuously in force during the 50-year life of every one of these valuable public water-power grants, the paramount concern of the American people of to-day, rather than a recapture clause which is to be effective a half century hence?

As against the fear of the gentleman from Alabama and other sponsors of this bill, lest "it does not hold out sufficient inducements to capital to encourage investments," my fear and concern is, lest the bill does not provide a system of public regulation that will properly safeguard the public interests of the American people during the 50 years before recapture is possible. Moreover, I am as certain as I ever was upon any proposition which I have ever investigated and studied during my professional and public career that this bill does not provide anything worthy of the name of a system of public regulation. I challenge any sponsor of this bill to point to the public-utility law of any of the 30 States that to-day attempt public-utility regulation, that is not a better law with much stronger and better-defined provisions for public regulation than the feeble attempt at hydroelectric regulation made in section 11, the public-regulation section of this bill.

Moreover, such regulation, as is hinted at in section 11, is largely offset by sections 9, 13, and 15, which, respectively, accomplish the following obstacles to public regulations: First, a flat 50-year water-power franchise, without option of the Government to modify the period of the grant; second, a vested right which Congress has no authority to amend or repeal, except for violation of terms; and, third, immunity from the provisions of the antitrust laws in allowing a group of grantees to "assist one another whenever necessary." Coupled with absence of anything like express powers to be exercised by the Government to publicly regulate these "natural monopolies" owned and operated by private capital, we find, therefore, that the bill actually handicaps and holds the hand of the administrative branch of Government in its possible future efforts to protect the public from aggrandizement of hydroelectric monopoly.

INDUCEMENTS OF THE BILL TO PRIVATE CAPITAL.

The gentleman from Alabama fears that the bill does not offer sufficient inducements to private capital. Let me, therefore call the attention of this House to some of the special inducements offered. On this point, I think that the author of the bill, the gentleman from Georgia, is good authority when he said:

The committee offers a bill that it is believed will invite and attract capital to construct dams in the navigable streams of the country, improving the navigation of these streams, and developing water power at the same time.

I am convinced, Mr. Chairman, after careful examination of this bill and its many attractive features, that when the gentleman from Georgia said, "The committee offers a bill that it is believed will invite and attract capital," he was familiar with the facts and the personnel of hydroelectric investment; in short, that he knew what he was talking about.

Here is a partial list of some of the inducements, the investment plums, as it were, of this bill:

First. A flat 50-year grant, at least—it may work out much longer—is given to every grantee of Federal water power, with no option of the Government to modify the term; while in many of our States, as well as other progressive countries, where hydroelectric development is most successful, the grant runs for periods of 20 to 40 years and present acts give the Government a leeway of option under the phrase "No longer than 50 years."

Second. Section 13 makes this grant or lease a vested right, without the usual reservation of Congress to alter or repeal, unless the contract itself is violated; and, therefore, the United States becomes liable for "alteration, amendment, or repeal thereof to the owner or owners, or any other persons interested in such dam."

Third. Section 15 gives the grantee the following immunity bath from the provisions of the antitrust laws:

Provided, however, That it shall be lawful, under the approval of the Secretary of War, for different grantees to exchange and interchange currents, to assist one another whenever necessary, by supplementing the currents or power, and enable any grantee to secure assistance to carry on the business and supply his customers.

What more complete immunity could a hydroelectric group, like the General Electric, which controls 50 per cent of the available water power of 18 States, ask for to maintain its electric trust combination?

Fourth. Although it is provided that, "In no case shall such an arrangement be permitted to raise the price," there is no prohibition against such a group maintaining an arrangement to resist the reduction of price.

Fifth. There is no requirement upon the hydroelectric "monopoly," as it is admitted to be, to file with the public a report of its operations or proceedings, a statement of costs of plant, production, transmission, use, or sale, or to keep public accounts of its finances subject to public examination; and there is no authority for the Government to visit the works, have access to its accounts, or compel the attendance of witnesses with books and records.

Sixth. There is no procedure provided for public appeal against service or rates and no system outlined for standards of service or procedure to establish a basis for ascertaining and fixing just charges, or for publicity of rates, accounts, proceedings, complaints, or finances.

Seventh. There is no basis established for Federal and State cooperation in hydroelectric utility regulation to prevent a "twilight zone" of jurisdiction in which neither the Federal Government or the State can act with certitude and effective result. Federal interposition is established in this bill, so as to exclude in large measure the power of the State and the municipalities to protect themselves against these Federal grantees and lessees; but this bill gives the consuming public no certain and assured regulation and protection against bad service and rate extortion in its stead.

Therefore, it appears to me, Mr. Chairman, that this bill offers many inducements to capital of the hydroelectric group order not found elsewhere and not enjoyed by other kinds of corporations of the "monopoly" family in this country. Certainly I feel that the chairman of the Interstate Commerce Committee was well within the facts when he declared: "The committee offers a bill that it is believed will invite capital."

Surely the committee had an opportunity to know its ground, because the only witnesses which, according to the published testimony, testified before the committee were hydroelectric promoters and financiers. Had the committee summoned to its presence the experienced public officials of something like 20 to 30 public-service commissions who are regulating such utilities under State laws, the committee would have learned the necessity of strict regulation of hydroelectric monopolies and imbibed something of the system and spirit of such public regulation. It is fair to believe, instead of simply the fear that the inducements to such interests might be insufficient.

Mr. MADDEN. Will the gentleman yield?

Mr. SMITH of Minnesota. I will.

Mr. MADDEN. What does the gentleman think of the value of the right to recapture, in that it would give to the Government the opportunity at the time of recapture to revamp rules under which the monopoly was authorized to exist?

Mr. SMITH of Minnesota. I will say to the gentleman from Illinois I believe, as I stated before, that while recapture may be necessary, I do not think that it is essential to a bill which relies upon private operation. I think that the material proposition here from this time on is to provide suitable public regulation. I believe that the committee has brought into the House a bill that gives capital more than it should have. I do not agree with the gentleman from Alabama when he said in his remarks the other day that he is fearful that capital will not take advantage of this measure if it is passed just as it was brought in.

Mr. FESS. Will the gentleman yield there?

Mr. SMITH of Minnesota. Yes.

Mr. FESS. Is it not true that the field of electricity is so new that it is always dangerous to give too long a period upon a fixed basis, because of the remarkable improvements that may be made by science that will ultimately make it very inexpensive? If you do not have control over it, future reduction in price to the public may not result. Is not that one of the arguments why the Government should not grant too much freedom and latitude here?

Mr. SMITH of Minnesota. In what respect? Now, there are several respects in which the Government can grant latitude. Now, in what particular one?

Mr. FESS. The Government ought not to lose the power to name the regulatory function as to charges, for example, simply because the cost charge now might be very much lessened later on by invention or by discovery. In other words, is not a long time contract, where electrical appliances are involved, rather a serious thing to grant?

Mr. SMITH of Minnesota. It is unless you couple that up with strict, efficient public regulation.

Mr. FESS. That is the point I am trying to get at, that the public ought to hold that power.

Mr. SMITH of Minnesota. And unless you hold that power the public is apt to suffer, and if you do hold the power the investor should not suffer, because the American people are fair and they do not want capital to work for them without yielding to capital a just compensation. But capital, on the other hand, as we know, has often been unfair and exacted a tribute from the public which it should not have exacted. It is for us as Members of Congress engaged in the forming and shaping of a piece of legislation the like of which has not passed out of this House this session, and I doubt whether it will in some sessions to come, to look out for this, because this deals with a project that is simply in its infancy. And as we look into the future we see how important it becomes. We have had our experience in the past in dealing with natural resources. We know how capital has foreseen the future and taken advantage of it. We also know that the American people have slept on their rights and have permitted capital to go out and gather up the natural resources of this country and bring them to their own vaults.

It is time that we should be looking out for the things that are plain and easy to be seen, and one of the things that is plain in this proposition is the fact that the manufacture of hydroelectricity is becoming one of the great industries of this country, and it is just in its infancy, as the gentleman from Ohio [Mr. Fess] has said. Then why should we start out at this time, after many years of hard labor and study by our committees, with a half-baked proposition that does not give any protection to the public?

Section 15 of this bill provides:

That it shall be lawful under the approval of the Secretary of War for different grantees to exchange and interchange currents, to assist one another whenever necessary, by supplementing the currents or power, and enable any grantee to secure assistance to carry on the business and supply his customers.

Gentlemen, if that section means anything, it means a permission on the part of the Government that hydroelectric corporations may combine and assist each other when it becomes convenient for them to do so. It means that they may come to each other's assistance whenever business stress requires it. It means, if it means anything, that the State laws against trusts and the national laws against trusts are put aside and that these institutions are to be immune from the operations of our antitrust laws.

Some gentlemen may contend that that does not clearly appear. I claim it is so clear that a man who desires to see it may see it. It is, at least, dangerous, and if it be in that condition, is it not wise to remedy it? Let us, if we are going to have regulated monopoly, say how far this monopoly may

go and how far it may not go. Let us have some control over it that will amount to a supervision and not a mere makeshift.

Section 14 has to do with dams known as public dams built out of the public purse of the Government. Under this section it is possible that a municipality or a State, wishing to obtain the privilege of using the power generated by one of these public dams, may have to go into the open market and bid for the privilege.

And in my own State could not the electric company which has a practical monopoly of all the electric power of that section afford to pay five times what that project is worth for the purpose of killing a competitor? They contend that we have not the right as a State or as a Nation to start an institution which will be a competitor of theirs; that they have invested their capital, and they have a right now to the market which that capital supplies. We have a right to preserve our natural resources, and one of the resources of that community is the water that flows down the Mississippi River and over this dam. That is not owned by any individual. It is the property of the State, and is controlled by the Federal Government. We should have the right, and the first right, to obtain the privilege of using the surplus water that flows over that dam. And any bill which passes this House should protect us in that right, and not put us in a position where we will have to compete with public-service corporations in order to get it. The National Government has not any right to ask any more than a return of the money or a fair return on the capital that it has invested. I agree with the gentleman from Alabama when he says it would not be wise, even though we have a right to tax the people of that community for the use of that water, to do it, because every dollar of tax you impose upon the dam and upon the grantee of the dam is transferred to the people who use it. Who has built up that market and every other market? It is the people of the community that the electric plant supplies.

PUBLIC OWNERSHIP AS A REGULATOR.

Another point which has not yet been brought out in this debate is the value of an occasional water-power project under public ownership and operation as a regulator of rates and charges. We do this in the case of transportation rates by providing for water transportation under Federal waterway projects. Indeed, the chief advantage of water transportation, and the principal justification cited by the Chief of United States Engineers and his colleagues of the Engineering Corps for a given waterway project or improvement, is its effect in reducing transportation rates, and in particular the rates of competing railways.

Thus, as a regulator of rates the Soo Canal and the Great Lakes project are estimated by Government engineers as worth scores of millions of dollars annually in reduction of rates, both by water and rail. Even the Mississippi, upon which comparatively little commerce moves, is recognized by the Government engineers as reducing the competitive rail rates between the Twin Cities and St. Louis something like 20 per cent. The Monongahela is known to have a marked effect in reducing coal rates.

Just such a result could be achieved by an occasional water-power project owned and operated by a public body, whether Federal, State, or municipal. The entire business would in that case be under direct public control, and the public would know the actual cost of production, transmission, and delivery of electric current and be in a position to know absolutely whether given rates and service by private companies were just or not.

Suppose, for an illustration, the public corporation created by the Legislature of the State of Minnesota for the purpose, a corporation created by public act and supported by public funds, in which the State university and the cities of St. Paul and Minneapolis are the active and interested public functionaries, should be allowed to secure, under the provisions of this bill, the lease of the 30-foot-high dam which the Government is now building across the Mississippi River between the two cities. Here would be a Federal dam and water power operated for a public purpose, the furnishing of light and power to local public institutions. All the facts of operation would be public property. The public would have complete public information as to methods and all data. The work would be an open book. Would there not be a great public gain, not only to the people of Minnesota but to the country at large, in the trial of this hydroelectric experiment?

In Minnesota the Consumers' Power Co. of Chicago, a foreign corporation, has almost a complete monopoly of public lighting and power in the big cities of the central and southern sections of the State and over a large suburban territory. Rates by this company are charged at prices varying from 10 cents down to 2 cents per kilowatt hour. Public charges of discrimination and extortion are common. Litigation is perennial.

The elections are affected by the issues raised. Suspicions are general in certain political quarters against any public man who is on friendly terms with the so-called public utilities.

If this high-dam project of the Government could be leased to the State public corporation to meet public municipal and institutional needs and placed exclusively under public operation and control, Minnesota would be a public regulator of electric light and power rates, and the public would know whether the rates charged by the private corporation are just or discriminatory.

I have no doubt, moreover, so far as personal and official disposition is concerned, that the Secretary of War would gladly see such an experiment tried and give the public institution a lease. But to do so he needs congressional authority. In order to give the required authority with anything like certainty of result, just one thing is necessary, and that is, to provide, as the Provinces of Canada and the leading States of Germany provide, for priority of public use over commercial use. That is the only certain way; because otherwise the private corporation is situated so as to give the Secretary of War superior commercial terms in order to insure its monopoly.

The Consumers' Power Co. of Chicago could afford to offer many times what that power is worth simply to prevent the public body from instituting a rate regulator of electric prices in the State of Minnesota. From a business point of view the commercial company would be able to name terms to the administrative branch of Government which no business official who was jealous of public income and expenditure ought to turn down, unless that official had the backing of Congress in the shape of a clause in this water-power act giving preference to the application of the public claimant over the commercial corporation who applied for power for sale and exchange. Thus all progressive nations which have enacted up-to-date water-power acts in recent years have provided for such emergency a priority of public purpose clause which give preference to applications for public use and purpose over all private claims.

DIRECT USE BY INDUSTRIES.

The gentlemen from Georgia and Alabama are interested, as many other public-spirited citizens of this country are, in the use of electric current from Federal water powers for the development of fertilizer and electric steel industries. There is no question that such developments are fraught with great value to the future industrial development, not only of the South, but of the North and West and wherever there is a large surplus water power.

The practical question is, How shall these industries secure the economical use of these water powers? Does the gentleman from Alabama think for a moment that these industries will prosper and secure low electric costs, if a middle-man in the shape of a public-service corporation is instituted and placed between the Federal grantor and the industry which uses the power? What service will that middle-man afford? Its mission is to earn dividends and interest on its own watered securities and pay salaries to a body of favored directors, experts, and officials. If that fertilizer or electric steel industry wants cheap power there is just one way to get it, and that is to deal directly with the Government instead of with the corporate middle-man. If that industry wants to be able to compete successfully with similar industries in Norway and Sweden it can not begin by paying dividends and high salaries to American public-service corporations. It must get its hydroelectric current direct without special tribute along the way.

What is the practical application? It is this again, that this bill must have a properly worded priority of purpose section, giving an industry priority over a public-service corporation in contesting applications for leases. Otherwise the hydroelectric combinations, with their special grant of immunities, will secure control over all the choice water powers of America, and neither an American industry nor an American municipality will have an opportunity to secure a public water power except through a commercial middle-man in the form of a public-service monopoly.

The people of Minneapolis and of St. Paul have built up the market for this great hydroelectric plant supply. Dam after dam in the Mississippi River above Minneapolis is being built, or will be built, and not a cent is being asked for it. There should not be a cent asked for it, except that when the Government gives a private individual the right to a monopoly, or the use of that power which belongs to the State, then we demand that there should be such a regulation of the rates and of the service as will do justice to our community.

Now, I suggest in all candor and in all sincerity that the people of Massachusetts are not entitled to one whit more than the people of Minnesota; that it should be our effort from the time we enter this Hall until we leave it to see that our part of this country receives fair treatment and that no part of it receives

any special favor. We are not asking any special favors when we lay down a general rule that any community can adopt; and I am going to call the attention of the House to a bill that I introduced, possibly not with any hope of its being adopted, but in which there are certain sections that I consider should be adopted in the committee bill. One of them is as follows:

As between contesting applicants for a permit hereunder, the commission shall have due regard to the use and purpose for which such permit is required, priority of purpose and of benefits conferred by such permit and project to rank in the following order:

- First. Benefits to navigation and conservation of water resources.
- Second. Public uses of the States, the municipal subdivisions thereof, and public institutions.
- Third. Industrial use for agricultural, mining, and manufacturing industries.
- Fourth. Commercial power for sale, barter, and exchange, and for use by public-service corporations.

Some such provision as section 3, the priority of purpose chapter of my own measure (H. R. 17854), I respectfully submit, is radically necessary for the protection of the public interest under the operations of the pending bill (H. R. 16053). Let me again call the attention of the Members of this House to the fact that with few and perhaps no exceptions, the well-known water-power laws of all other progressive nations enacted in recent times provide for priority of public use and purpose by most carefully worded express provisions. Certainly the United States of America, in Congress assembled to consider the conservation and wise development of its water powers, will not neglect its duty in this regard, and offer to the world a reactionary measure which ignores the public interest in its own water-power resources.

What does the pending measure recognize in this regard? As stated by the authors and sponsors of the bill, it has one prime purpose and that is to attract and interest private capital. It places commercial use and purpose first and foremost. It is true that in section 14, which pertains to leases of dams built by the Government, preference is given to the lessee who is able to conserve navigation and the water-power development. But, of course, that goes without saying, because the source of all Federal control flows out of the constitutional authority of Congress over navigation. What other public interest, however, does H. R. 16053 recognize and protect? It does not recognize or give priority to either Federal or State use. It gives no recognition to municipal use. It recognizes no public institution as an applicant for a water-power lease. It is primarily only the fourth and last purpose and use named in section 3 of my bill that H. R. 16053 fully contemplates and recognizes, namely, "Commercial power for sale, barter, and exchange, and for use by public-service corporations." In other words, what Canada, Germany, and Switzerland hold of last consideration from the point of priority of use and purpose this bill places first; and the gentleman from Alabama, indeed, even then confesses "my only fear is that it—the bill—does not hold out sufficient inducements to capital."

House bill 16053 permits private capital to come into our community and into your community and bid against the citizens of that community who have natural rights there, and under this bill the commercial interest may pay five times what the actual price of that surplus water is worth and to surcharge every man, woman, and child in that community for that overcharge. It is admitted on all hands that hydroelectric development is a natural monopoly. It is so admitted by the authors of this bill, and no one seriously contends that it is not. So let us frame the bill so that every community that can bring itself within the provisions of this law can obtain the surplus water that flows by its shore and past its door, and in that way you will give no special privilege to anyone. I commend, therefore, particularly to the consideration of those who are seriously interested in this proposition section 3 of House bill 17854. I also commend to their attention section 16 of the same bill, which provides for regulation.

Now, so much for section 14. I have not the time to dwell longer upon it, but I do contend that it can be greatly improved upon. I do not contend but that under House bill 16053 the cities of Minneapolis and St. Paul could get the right to use that power. However, I believe that if you incorporate into such a law the section I have called attention to, the cities and the States would have the first opportunity of refusing to lease such power, and the cities of other States would have the same opportunity. That seems to be fair and wise.

Section 11 provides for the regulation of the sale and use of the hydroelectric power that will be developed by these dams, and this regulation is turned over to the Secretary of War. What does he know about industry, commerce, and navigation? What has the Secretary of War or the War Department ever done toward the development of industry or commerce? Over \$500,000,000 has been expended on the rivers of this Nation by the Federal Government under the direction of the War Depart-

ment. Over \$160,000,000 has been expended on the Mississippi River alone.

What commerce and industry have been built up by the War Department from such expenditure? It has opened the way for commerce and industry to follow at such time as the United States shall wake up to the need of a national system of waterway administration under right control. But the engineers of the War Department are not trained to look after industry and commerce. They are men of war, and not of peace. They are men highly trained as engineers, who know all about the engineering proposition, who can examine and pass upon a set of specifications, and can superintend the construction of a dam. But when it comes to the regulation of industry and commerce, to the operation of hydroelectric business, establishing commercial rates and standards of service and dealing with producers and consumers, or figuring what rate you and I should pay for our electric current, it is outside of their field entirely. There are other departments of our Government that are peculiarly adapted to that sort of business, and therefore I have proposed, in this amended bill that I have offered, that the Secretary of War, the Secretary of the Interior, and the Secretary of Commerce shall constitute a water-power commission to control and regulate the hydroelectric business of the country. We have got to come to that proposition. You may shift along for a little time under the Secretary of War's supervision, but he will tell you, or his engineers will tell you, that they know nothing about hydroelectric service, accounts, reports, operation, or rates. They have no means at their command by which they can ascertain scientific standards of hydroelectric service, prescribe commercial accounts and reports, regulate industry and commerce, or how to place a suitable rate. They have no means under their control by which they can tell what would be a suitable service. But have we not in the Department of Commerce just that sort of machinery? We have our Bureau of Corporations. We have our Bureau of Standards. We have our Bureau of Navigation.

My idea is that if a water-power commission of the kind suggested should be created, we could build up a system that would be wholesome and beneficial. When you undertake to delegate to one man, without the right of appeal, the vast interests which are involved in this sort of legislation, you are doing something which you know is wrong. Your own sense of right and justice and your own knowledge of the capacity of men tells you that it is wrong. Moreover, the duties involved in the granting of water-power leases, the adjustment of public complaints in regard to rates and service, and the general enforcement of the regulations of this bill, are not only executive, they are quasi-legislative and quasi-judicial, as are the functions of the Interstate Commerce Commission in regard to railway regulation; and a board of three is, for such functions, much more efficient, and far more likely to receive public support, than a one-man tribunal even if he be so exalted as the Secretary of War.

Mr. FESS. Mr. Chairman, if you make a board constituted of representatives from these three different departments, is there not danger that you will lack in unity of decision by conflicting interests in all the departments represented? Do you not think a single department of the Government would be better than a board of three departments?

Mr. SMITH of Minnesota. No; I do not. I grant that a single department, outside of all existing departments, would possibly be better for the enforcement of the purely executive provisions of the act; but, in the first place, we are not now prepared to create a new waterway and water-power cabinet department, and, in the second place, it must be admitted that quasi-legislative and quasi-judicial functions such as are herein required are better performed by a commission or bench of three men than by one-man decision and rule. Furthermore, I think it is up to us as legislators to try and find some way by which we can economize to a certain extent. It is for the sake of economy as well as efficiency that I suggest the above plan as one ready at hand to be put into immediate effective execution with the minimum of cost and the maximum of departmental efficiency. In the War Department you have only the Corps of Engineers, while in the Interior Department you have your Bureau of Water Resources, you have your Topographical Survey, and you have one other department. In the Department of Commerce you have nine bureaus, and every one of them could be brought into cooperation, so that they would bear on the regulation of hydroelectric development, use, and so forth. There would not be a waste anywhere. There would not be a duplication anywhere. If the Secretary of War is going to undertake the regulation of hydroelectric development of this country, its sale and its use, he must create a department for it, and I say if you will take on these other departments with the departments that you now have in the Government you have

sufficient machinery to enable you to carry on wisely and intelligently, perhaps not the best scheme that could be possibly proposed, but a scheme that has practical merit and far superior to the scheme that is presented in H. R. 16053 from every point of view.

Mr. ADAMSON. Mr. Chairman—

The CHAIRMAN. Does the gentleman from Minnesota yield to the gentleman from Georgia?

Mr. SMITH of Minnesota. Most assuredly.

Mr. ADAMSON. Does the gentleman desire to take from the Secretary of War and the Corps of Engineers the work of river and harbor improvements?

Mr. SMITH of Minnesota. Not at all.

Mr. ADAMSON. Then, perhaps, the gentleman has failed to discover the scheme of this bill. I will yield to the gentleman any time I consume.

Mr. SMITH of Minnesota. All right.

Mr. ADAMSON. We placed this matter in the hands of the Secretary of War, because it is a navigation project. It is not designed that a single dam shall ever be built except in aid of navigation under the provisions of this bill. As the Secretary of War and the Chief of Engineers have charge of river and harbor work, and this is river and harbor work, it goes under the same jurisdiction, to be supervised in the same way. It is so difficult to secure from Congress appropriations for the improvement of rivers and harbors, and there are so many thousands of miles of shallow streams that could be made navigable, we have been trying for 15 years to induce private capital to relieve the Government of this expense, and as the Secretary of War has charge of river and harbor work we placed conditions on consent of Congress to erect by private capital a dam in a navigable stream. Those conditions are mainly two. The gentleman has already discussed the 50-year limit. There are mainly two, aside from that. One is, they must do enough work, in the estimation of the Secretary of War, to promote navigation at that place. That secures what the Government wants. Then they must submit to regulation in the interest of the people, in order that the rates and practices may be fair. Those are the two main things.

As to the recapture, this bill makes the most perfect provision for that that has ever been devised by human ingenuity. We give two or three ways by which the Government holds control of it, and disposes of it at the end of 50 years in any way it desires to do so.

As to regulation, this bill, if the gentleman reads the entire section, provides perfectly for the regulation of rates and service, for the entire protection of the Government, the protection of the public, and promotion of navigation. Now, I know the gentleman wants to be fair. As to the wire connection, the section is entirely contrary to what the gentleman has stated, and if the gentleman will read it carefully and put it in his speech it will so appear. It denounces monopoly and does not say "a combination of wire," but it says "a connection of wire," so that when one river is low and another is high they may supply the shortage for one another, just as a merchant may supply goods to another or banks may pay checks to one another. It is as free from any possible monopoly as an angel is free from sin.

As to regulation, it is substantially identical with the regulation in the bill that the gentleman commends. If the State will not do its duty, the Secretary of War can enforce conditions and put the regulations on it. As to whether he is the right man or not may be questioned, but we fix it there because he has charge of navigation projects. It depends on who the man is that you get for Secretary of War, and if you had a board it would be made up of mortal men and as liable to err as the Secretary of War. Now, I beg the gentleman's pardon for the interruption. I recognize his fairness, and I know that he wants the best bill possible.

Mr. SMITH of Minnesota. Will the gentleman yield me 10 minutes?

Mr. ADAMSON. Yes; I will yield the gentleman 10 minutes.

Mr. SMITH of Minnesota. Mr. Chairman, the gentleman from Georgia thoroughly misapprehends the entire purpose of my argument, if he for a moment believes that I favor taking away from the Secretary of War and Chief of Engineers any of those engineering functions which they have traditionally performed throughout American history. What I object to is not that the engineering functions but that the regulation of hydroelectric industry and commerce should be exercised by the War Department.

Apparently the gentleman has forgotten the distinctive feature of his own bill. It is not dam construction, it is hydroelectric regulation. By rights the gentleman should have added to the title of his bill the line, "and for the regulation of the development, transmission, use, and sale of hydroelectric power." It is this commercial, industrial, and financial feature of the bill, with which the gentleman says that he is try-

ing "to bait capital," that distinguishes it from former acts; and I maintain, and I believe the Members of this House feel, that such a function is foreign to the Department of War.

I have retained in my bill—H. R. 17854—the Secretary of War and Chief of Engineers for all engineering functions which they now perform, and also made the Secretary of War a member of the water-power commission, which exercises the quasi-legislative and judicial duties of the commission. But I submit that a commission to regulate industry and commerce should be composed of something more than a War Secretary; and I have therefore consolidated the official machinery of the Departments of Commerce, Interior, and War in order to cover the whole ground of a thoroughly equipped board of commerce, industry, and navigation.

Mr. Chairman, I wish to say, in reply, that I realize that all men are mortal and subject to shortcomings. But under my plan we would have three chances, and therefore I would prefer that. I realize that all men are subject to shortcomings somewhere along the line. I have not found a perfect man yet, and therefore I believe it would be wiser to have a board. I believe we could not afford to enact a law and say we have given it our best thought and best judgment when it only contains a single arbiter to pass upon such a vast amount of business and such delicate propositions as are contained in this project and no particular method provided. All you have to do under this bill is to bring the Secretary of War out, take lunch with him, and talk the situation over. Let us have public hearings. Let us not have a closed parlor session.

Now, let me read this section of the bill that provides for such regulation:

Provided, That whenever the State in which such current shall be used shall have provided by law adequate regulation for rates, charges, and service to the consumers for such electric current and such regulation shall not be unduly discriminatory or unjust against the service or charges in any other State arising from the use of the power from the same project, and such facts shall be established to the satisfaction of the Secretary of War—

And so forth.

Why, gentlemen, under this provision you place in the hands of the Secretary of War the power to pass upon every public utility commission in the United States. Not only does he pass upon it, but upon its fairness and adequacy. You also enable him to say whether your State is acting fairly. There is no limit to the power which you have placed in his hands when it comes to what the Secretary of War can do in order to protect the investor, but you have not provided any rules or regulations or specifications which will tell the Secretary of War or any other board which is to pass on the question what they ought to do when the consumer is aggrieved.

Mr. ADAMSON. I understand that the gentleman from Minnesota refers to another bill. I want to call his attention to the fact that the Secretary of the Interior has to fix the rates in that bill, and he is a mortal man, too.

Mr. SMITH of Minnesota. I have not said that I agreed in all respects with that bill.

Mr. ADAMSON. He may be the right man now, but when the next man comes along he may not be.

Mr. SMITH of Minnesota. The Secretary of the Interior is more competent to pass upon the public-domain resources and proper public service than is the Secretary of War, because the Secretary of the Interior has under his control instrumentalities which would give him the knowledge to provide for conservation of the public interests and make a fair and proper determination. The Secretary of War has nobody but the engineers who can tell about the construction of the dam, the water flow, and engineering questions.

Mr. STEVENS of Minnesota. Does the gentleman wish to impugn the intelligence, capacity, and ability of the Corps of Engineers?

Mr. SMITH of Minnesota. In their special line, I claim that we have a Corps of Engineers that is superior to any corps of engineers in all the world.

Mr. STEVENS of Minnesota. Is not this exactly in their line?

Mr. SMITH of Minnesota. No; it is not, and my colleague knows that it is not.

Mr. STEVENS of Minnesota. I know that the gentleman from Minnesota is mistaken, after an experience of 15 years in that very kind of work and on the very dam he has been speaking about.

The gentleman has been making a lot of misstatements here this afternoon, and this is one of them, and this matter should not go abroad in remarks of this kind.

Mr. SMITH of Minnesota. Mr. Chairman, I wish to say in reply to my colleague that in this discussion I have tried to be fair, and I am going to be. I am going to proceed along the line that any gentleman should follow in debate in the House, no matter what course my colleague may adopt. I can realize

that my colleague may be sincere. Because for 15 years he has been the intimate associate of the Engineering Department of this Government, and has swapped favors with that department to such an extent that he would not be human unless he would be prejudiced in their favor, I wish to say that I am not criticizing anybody, I am not impugning his motives, but I do say that I believe his associations with this body of engineers has made him believe they are capable of performing the impossible. I am only willing to admit that they are human, and capable only of performing things which the average man would perform; and when you come to give them work of a peculiar nature, of which they have no knowledge or experience, then I say that they are outside of their province and they are no better than any other class of men.

Moreover, the 15 years of work which my colleague states that he has been performing in connection with the Corps of Engineers was not the regulation of hydroelectric utilities. That function has never yet been attempted by the Secretary of War nor by any other public department in this country, except only the public-utility commissions of the States. Our Corps of Engineers have superintended the construction of dams, but they have no experience in the regulation of commerce and industry. They have no experience with the regulation of the hydroelectric industries, which in 1912, according to the Census Bureau, of the Department of Commerce, earned over \$300,000,000—the very industries, Mr. Chairman, which the Bureau of Corporations, also of the Commerce Department, finds have been so largely combined into great hydroelectric "interrelationships" or "groups," popularly known as trusts, and which the authors of this bill are compelled to admit are "natural monopolies."

When, may I ask, has the Secretary of War exercised the public duty of regulating "monopoly"—the duty which the authors of this bill would place upon him? When have the Corps of Engineers been engaged in supervising the commercial operations of the hydroelectric utilities? What record is that which the gentleman says I would impugn? That record has never yet been attempted by any department of our Government. We are now planning such regulation for the first time.

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

Mr. SMITH of Minnesota. Yes.

Mr. ADAMSON. Does it not stand to reason that the Secretary of War or the Secretary of the Interior, or any other tribunal constituted by law, when a complaint of this sort came up would hear the evidence and exercise judgment and common sense on what the facts and the testimony appeared to be?

Mr. SMITH of Minnesota. Mr. Chairman, it has been my experience that it is always wise to protect your public servants. I am just as anxious to protect the Secretary of War from the unwise position that he is taking here as I am to protect my respected friend, the chairman of this committee. I know that he would protect me if he saw me attempting to commit a folly. The Secretary of War is going to have hearings only when he feels like it. He is to be the sole arbiter as to that. I say, pass a bill here that will permit the public when they are aggrieved to come before whatever body has control of this hydroelectric proposition and file their petitions and have a public hearing and a record made. Is there anything in this bill that permits any such thing? Is there anything in this bill that sets out anything like a form to be followed? Why do you not simply elect your judges and tell them to proceed without either law or procedure?

The gentleman knows, as a practitioner of long experience at the bar of his State, that one of the things that protects the rights of citizens is the mode of procedure and the practice of the court. Many a man is not known to be an able lawyer upon the substantive propositions of law, but when it comes down to a matter of practice and procedure he knows how to present the rights of his clients to the proper tribunal, and I say that there is no method provided in this bill for the presentation of the rights of the public to the tribunal, notwithstanding you have a tribunal that consists of only one man.

I wonder if the honorable gentleman whose name stands as author of this bill, or the committee in which the bill was cradled and fostered, has taken the trouble in the course of its study of this question to examine the provisions of the public utility laws of the 20 or 30 States who have undertaken the regulation of public utilities such as this bill proposes to regulate? If so, the honorable gentleman has found a most elaborate system and procedure carefully worked out down to the last detail of accounting, public reports, published tariffs, standardized service, tests of service, procedure for public complaints as to rates and service, public hearings and adjudications of grievances, appeals and rehearings, basis of returns to capital, basis of valuation for rate making, relations of public utility to consumer and to investor, and, in short, a well-

rounded system of industrial and commercial regulation, for the protection alike of capital and the public consumer—none of which, Mr. Chairman, this bill makes more than a feeble and uncertain pretense of putting into law.

And yet the distinctive feature of this bill is regulation, and the regulation of the most difficult and complex brood of "natural monopolies" which exist and are rapidly multiplying in our fair land. I do not object to their existence or to their multiplication; but I do insist that when we turn over to them the great water-power resources of the American people we should do it under public regulations that are real, tangible, definite, adequate, efficient, and worthy of the best efforts of this Congress of the United States.

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

Mr. STEVENS of Minnesota. Does the gentleman wish more time?

Mr. SMITH of Minnesota. I would like to have a little more time.

Mr. STEVENS of Minnesota. How much time does the gentleman desire?

Mr. SMITH of Minnesota. I would like to have five minutes.

Mr. STEVENS of Minnesota. I yield five minutes more to the gentleman.

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

Mr. SMITH of Minnesota. Yes.

Mr. ADAMSON. So far as my immediate State is concerned, I do not anticipate any Federal tribunal will have any trouble with them. My State has provision and regulation of all of these matters, but inasmuch as there are some States I understand that have not, and inasmuch as some people have fears about making regulations, we provided wisely, we thought, that the Federal Government should retain that control.

If it should be demonstrated by experience that we can devise a better tribunal to pass upon these matters, Congress is here always ready to do it. We want to get through something that will enable us to begin the construction of dams, and it is not necessary to advise my friend from Minnesota of the difference between this and the public-lands proposition. Out there there is the land. The Government owns the land, and in many places owns the beds of the streams where it has not parted with the land. This is an entirely different proposition. Ours is where we have nothing but the power to consent or refuse to allow somebody to construct a dam, and we must make arrangements and trades that will induce capital to put money into the construction of a dam, and up to this time we have not been able to do it.

Mr. SMITH of Minnesota. Mr. Chairman, I disagree to a certain extent to what the gentleman from Georgia says.

I realize that in certain cases, such as the Coosa, at No. 18, I think it is, that it may be possible that the Government will have to erect the dam. Why did we go to Alaska to build a railroad? Because private capital wanted more than we thought they ought to have and we went there to preserve and protect the natural resources. The water resources of the country can be treated in the same way.

Mr. ADAMSON. We have been hammering at the doors of Congress for 30 years to improve the Coosa River and they will not do it. We could get private capital to improve the best stream in the United States and give 900 miles of navigation through the best and most prosperous people in the world if we chose to make fair terms with private capital to put up these dams and save the Government \$30,000,000 or \$40,000,000 if we were going to do it at all.

Mr. SMITH of Minnesota. My proposition is, we must not give away the rights of the people in doing that.

Mr. ADAMSON. We do not; there is not a word, not a line, not a syllable or a letter in this bill that gives away any right of the Government or the people; not a line, and has not been.

Mr. SMITH of Minnesota. Well, that is a matter of opinion—

Mr. ADAMSON. No, sir; it is a matter of fact. If the gentleman will get out of his head the old folderol that has misled people and filled the yellow journals for 15 years, he and they would understand this is a different proposition; that the Government does not own and has no right in anything but the matter of navigation.

Mr. DONOVAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DONOVAN. I would like to ask the Chairman who has the floor?

The CHAIRMAN. The gentleman from Minnesota has the floor, and he yielded to the gentleman from Georgia.

Mr. ADAMSON. I will yield the gentleman all the time I consume, and the gentleman knows that.

Mr. SMITH of Minnesota. Mr. Chairman, I am glad of these interruptions. I know the gentleman is honest about these things and honest in thrashing it out, and that is why I am giving to this subject my best thought. I have studied this matter somewhat, and I do not feel that I am going off at a tangent in asking simply one thing in reference to this proposition, and that is efficient public regulation. Now, I feel we have gone as far with this bill as we could go in enticing capital to invest in this enterprise, and I do not believe we should surrender the natural resources of this country, boots and breeches, over to capital without having some strings to them, and one of the strings you can have is efficient public regulation.

In brief, Mr. Chairman, I believe this House could well profit by a study of the message of former Gov. Hughes, of New York, now Justice of the Supreme Court of the United States, who in his message of January 2, 1907, one of the first messages to the American people on the subject of the conservation of the public hydroelectric resources said:

In this connection it is well to consider the great value of the undeveloped water powers thus placed under State control. They should be preserved and held for the benefit of all the people and should not be surrendered to private interests. It would be difficult to exaggerate the advantages which may ultimately accrue from these great resources of power if the common right is duly safeguarded.

And again:

The entire question of the relation of the State to its waters demands more careful attention than it has hitherto received in order that there may be an adequate scheme of just regulation for the public benefit.

Mr. Chairman, I herewith respectfully commend these words of wisdom, emanating from the mind of one of the greatest of American publicists and jurists, to all those ambitious statesmen of this House who fear lest insufficient inducement to private interest may not have been granted in this bill, or who hold that the prime object and concern of Congress in water-power legislation should be to enact provisions that will be as attractive as possible to private capital. Mr. Chairman, our paramount duty as representatives of the people is to protect the public interest and to make certain that no grants of the public resources shall go from our hands without strict scrutiny and public regulation.

NECESSITY FOR WATER-POWER COMMISSION.

The undeveloped water powers of the United States are variously estimated at from 30,000,000 horsepower to 60,000,000 horsepower. The total horsepower used to-day in all kinds of manufacturing establishments is not to exceed 30,000,000, and only 7,000,000 horsepower of this amount is water power. Therefore, at the lowest estimate only about one-sixth of the water-power possibilities of the United States are being utilized in manufacturing industries and 25,000,000 water horsepower is permitted to go to waste every year. But this does not tell the whole story of the needless waste of energy that is going on in this country to-day, and will continue to go on until the Federal Government recognizes its obligations to its people to utilize at the earliest date possible this ever-renewing power of falling water so that the coal supply of the United States, which is now being exhausted at the rate of 500,000,000 tons per annum—never again to be returned—may be reserved for the future prosperity of the country. It is estimated that the supply of anthracite coal will, at the present rate of consumption, be exhausted within the next century and that the soft-coal supply will not last more than three or four centuries. Moreover, we must have cheap power if we expect to maintain our position as the leading commercial and industrial country in the world. The invention and use of labor-saving devices have revolutionized the field of commerce and industry. On every hand human power is being supplanted by artificially controlled and regulated natural power. Man's energies are occupied in the discovery of new ways and new means of reducing the forces of nature to a more complete submission to his will. His wonderful success along this line is attested by the recent discovery and development of electric transmission which makes it possible to use the power of falling water 200 miles from the waterfall. Thus 100,000 square miles of territory may be served by hydroelectric power developed from a single waterfall as readily as the old mill at the foot of the dam was supplied a decade ago.

Certain economic conditions peculiar to the United States make it doubly necessary that the power resources of the country be utilized to the highest point of efficiency. For example: For the past 50 years a steady stream of country people has poured into our cities until to-day at least 50 per cent of the population live in our cities and villages. The farm is neglected or abandoned, and from a nation of exporters of food-stuffs we are reduced to a condition where we do not raise sufficient to supply our own market. The price of the market basket is increasing. The refusal of city dwellers to return to

the farm makes it necessary to find employment for them in the cities. The mill and the factory offer the only hope. It is here that the skill and genius of the American shows to the best advantage, and if his Government will give him proper consideration he can flood the markets of the world with our manufactured products. Not only can he do it, but he must do it in order to maintain his present standard of living. However, notwithstanding his great genius and energy, the American can not cope with the foreign manufacturer unless he is given a fair opportunity to utilize the power possibilities of our rivers, and thus placed on an equal footing with his foreign competitor, whose Government has placed at his command the water-power resources of the country. Hence the country that best utilizes its water-power resources in the interest of its people will lead the world in commerce and industry.

Donald Cameron Schaefer, a leading economist, has said "water power is the cheapest as well as the most permanent source of energy in the world." "The greatest economy in the world is the development of the great waterfalls of America and the turning of their wasted energies into electricity for heat, light, and power," said a distinguished German commissioner.

Since so large a percentage of the American people must live from manufactures, it is the imperative duty of the Government to develop the water-power resources of the country, so that its people engaged in commerce and industry may have cheap light, heat, and power—three of the principal factors upon which industry and commerce are founded.

The authors of the pending bill admit the necessity of Government control of the development of water power by private capital and present this measure as an embodiment of what that control should be. The Adamson bill proposes to turn over all the vast water-power interests of the Federal Government, including the regulation of hydroelectric groups, involving hundreds of millions of dollars of capital, together with the regulation of the use and sale of hydroelectric current by hundreds of subsidiary public-service corporations, to a department which has no equipment or experience in such regulation, and which was never designed to carry on work of this character.

Hydroelectric regulation deals with the forces of industry and commerce, and it is proposed under this bill to turn this regulation over to the War Department.

The Census Bureau, of the Department of Commerce, in its bulletin of March last, shows that in 1912 there were engaged in the hydroelectric industries of the United States 5,221 central electric lighting and power stations, with a total income of \$302,115,599. There were 79,335 people engaged, and the expenses, including salaries and wages, amounted to \$234,419,478. There were 435,437 motors of 4,130,619 horsepower capacity served, and the output of the 5,221 stations reached 11,502,963,006 kilowatt hours. What has this hydroelectric development to do with the War Department? It is apparent to anyone who will consider the proposition at all that the War Department has nothing to do with the development, transmission, use, and sale of electric energy, except that its Corps of Engineers may be of use in supervising the purely engineering job of dam construction across streams.

Aside from the engineering phase of construction, the entire subject matter with which this bill deals is within the jurisdiction of two departments, viz: First, Department of the Interior, which has charge of the public domain, the water resources, the Reclamation Service, and the topographic survey; second, the Department of Commerce, which includes the Bureau of Corporations, the Bureau of Foreign and Domestic Commerce, the Bureau of Standards, the Bureau of the Census, the Coast and Geodetic Survey, the Bureau of Fisheries, the Bureau of Lighthouses, the Steamboat-Inspection Service, and the Bureau of Navigation. Thus we see that every one of the nine bureaus and branches of the Department of Commerce has more or less direct relation to the industry, commerce, and navigation involved in the development of our waterways and water powers and that the three branches of the Department of the Interior deal directly with the subject matter in point, while only one branch of the War Department—that of Chief of Engineers—has anything to do with the subject.

The executive branch of the Government has 10 departments that assist the President in the performance of the duties of his office. Each of these departments has its own special field of operation and deals with a particular subject. For example, the Secretary of the Treasury has charge of the national finances; the Postmaster General is the head of the Postal Service; the Secretary of Commerce is charged with the work of promoting the commerce and industry of the United States; the Secretary of War has charge of all matters relating to national defense, which includes river and harbor improvements and the prevention of obstructions to navigation.

The War Department, through its improvement of rivers and harbors and its removal of obstructions to navigation, has brought to its aid a great corps of engineers that is the peer of any like body of men in the world. These engineers are needed when it comes to plans and specifications of construction and the survey and estimate of stream capacity.

The amended bill, which I propose as a substitute for House bill 16053, utilizes to the limit all the services of the Secretary of War and Chief of Engineers which are applicable to the subject, and makes the Secretary of War one of the three members of the governing commission of water-power administration. It then adds to the administration the Secretary of the Interior, with his jurisdiction over public domain, the water resources, the Reclamation Service, and topographic survey; and the Secretary of Commerce, with his nine bureaus of industry, commerce, and navigation, which will bring to the administration of our navigable waters and water powers that particular knowledge and direct relation to the business of the country which our waterways and water-power administration in the past has so sadly needed.

It is foreign to my purpose and desire to throw any blame or shortcoming upon the great corps of able engineers of our War Department. Their knowledge and great abilities will be needed when it comes to plans and specifications of construction and the supervision of the erection of dams, locks, etc. Therefore my bill retains their services in every particular where they are applicable to the subject matter of the bill; besides, it leaves in the War Department full and unhampered control over matters that appertain to navigation as such.

The object of this legislation is to develop and regulate an industry that if properly encouraged by the Government will soon be the greatest in the United States. But the development and regulation of an industry is no part of the education and training of a War Department engineer. Besides, this bill deals with commerce—local, interstate, and foreign—and commerce is a subject radically different from providing for the national defense—the primary duty with which the Secretary of War is charged.

The result is that, while our Army engineers have planned and constructed something like \$500,000,000 worth of various kinds of works and improvements on the rivers of the United States, including \$160,000,000 on the Mississippi River and its tributaries, they have produced very little commerce and developed very little industry. They are not to blame for that, because commerce and industry are not within the range of their professional knowledge, experience, and jurisdiction. What I desire to accomplish through the proposed amendment of the pending bill is to make our control of navigable waters count in the commercial and industrial development of the United States, by bringing into the administration thereof those official agencies and forces of our Federal Government which deal with industry, commerce, and the development of our public domain.

The day may come when we shall create and develop a separate and distinct executive department of waterways and water powers, fully equipped to cope with the administration of our waterways and the industries, commerce, and navigation arising from and dependent thereupon. But until such time we now have in hand fully organized for all immediate practical purposes three executive departments, excellently equipped by experience, as in the necessary official machinery, to handle all the phases of such regulation and development.

There is an advantage in having a commission of three, especially in view of the large powers and varied duties to be exercised, and the further fact that these powers and duties, embracing, as they do, both the granting of water-power permits and the regulation of service and rates under such grants, involves, as it were, both quasi judicial and semilegislative functions in addition to strictly executive administration for such powers. It has been the almost uniform practice of Congress and of the legislatures of the various States to create commissions and courts of three or more members. Thus, for the regulation of common carriers and the fixing of railway rates on interstate commerce, we have an Interstate Commerce Commission of five members, and upon the subject of approval of projects for waterway improvements we have a Board of Engineers for Rivers and Harbors, consisting of five members. Other commissions which exercise quasi judicial and semilegislative functions, subject to the authority conferred and limited by Congress, are the Isthmian Canal Commission, the International Waterways Commission, the Commission to the Philippine Islands, the Board of Indian Commissioners, and the International Joint High Commission.

When we take into consideration that the maximum potential development of hydroelectric power may reach 65,000,000 horsepower and that now only 7,000,000 of that amount has thus far been developed, there is little question that a commission of three

is better qualified to pass upon the approval of permits than one man, and especially when the special field of that one man is war, and not commerce, industry, and internal development. The grant and approval of this vast aggregate of water-power permits is likely to result in much competition and contest of applicants, and involve a great variety of interest. To that end the hearings should be held and the proceedings should take on the form of a legislative inquiry, and thus avoid danger of public criticism as an arbitrary one-man rule. Then again, in the enforcement of regulation of service involving valuation of property as a basis of fixing rates and passing upon charges of extortionate and discriminatory rates, public hearings will be held, which will take on the form of judicial inquiry, where the commission of the three will be far preferable and receive greater popular credence for impartial decisions than a one-man court.

Even the War Department itself in such cases commissions a board—as witness the Board of Engineers on Rivers and Harbors, the Board of Ordnance and Fortifications, and the Board of Court-Martial.

But all consider the enormous volume of business involved in such regulation. To-day, with 7,000,000 hydroelectric horsepower developed, the income from 5,221 central electric light and power stations exceeds \$300,000,000 per annum. Not all of this is developed on the navigable waters of the United States, but the lion's share of it is always bound to be on such streams, because it is the volume of water that supports commerce and navigation that perforce yields the greatest hydroelectric power for commerce and industry.

In five years hydroelectric development has increased from 5,500,000 horsepower to 7,000,000 horsepower, or about one-third. A bulletin issued in March last by the Census Bureau shows the following facts: The income increased from \$85,000,000 in 1902 to \$302,000,000 in 1912, a growth of 352 per cent in 10 years; the kilowatt capacity of dynamos increased from 1,212,235 in 1902 to 5,134,689 in 1912, a growth of 232 per cent in 10 years; the output of central light and power stations increased from 2,507,051,115 kilowatt-hours in 1902 to 11,502,963,006 kilowatt-hours in 1912, or 358 per cent in 10 years; the horsepower capacity of stationary motors served increased from 438,005 in 1902 to 4,103,619 in 1912, a percentage growth of 843 per cent.

The enormous rate of hydroelectric expansion which has marked the decade 1902-1912 is almost certain to continue into the future until the full water-power potential maximum of the United States is serving the ever-growing population and their domestic, industrial, and commercial needs. When we take into consideration the present enormous volume of this business as already developed by the great hydroelectric groups and the relationships listed in the report of the Commissioner of Corporations and stop to note that this is less than 10 per cent of the potential maximum of our navigable rivers, and further contemplate the swift progress of this hydroelectric development, how can anyone seriously hold, or even dream for political purposes, that the practical and sensible regulation of these industrial and commercial forces is within the power of the Secretary of War? That honorable and able official certainly has duties and responsibilities sufficient to engage his energies, without undertaking the regulation of an industry which already yields \$300,000,000 to the country's corporate income. The regulation of Mexico would be a bagatelle in comparison.

When Canada, Germany, France, Norway, Sweden, Switzerland, Italy, Russia, Austria-Hungary, and even Africa and India are placing their water powers under the regulation of expert commissions versed in the development of industry and commerce, with special reference to hydroelectric operation and control, what a farce for the greatest industrial nation on the earth to consider the proposition in National Congress assembled of placing its vast water-power resources under the military rule of a staff of colonels.

The reason given for so doing by the gentleman from Georgia, the sponsor of this bill, is that we have done so in the past. But it is our past experience with water powers that we are now trying to get away from. In the past a handful of water-power interests, which the report of the Commissioner of Corporations shows to be in the nature of a great water-power trust, has grasped the great majority of commercially developed water powers of the United States. In the past one great corporation, the General Electric, as shown by former Commissioner Herbert Knox Smith, has secured 50 per cent of the commercial power in 18 States. In the past \$500,000,000 has been spent on our navigable rivers without producing commerce. In the past we have given away for the asking a great national resource to companies which, without regulation, are levying upon the public extortionate lighting and power rates. Even the great Keokuk Dam on the Mississippi, with 200,000 horsepower, yielded to it by grace of Congress and the Father of Waters, we find in

the report on that subject before the committee of this House, is levying upon the people of the Mississippi Valley rates stated to be higher than even the former charges for power and light obtained from coal consumption and steam power.

It is the past we are trying to correct in the legislation before this House, and in correcting our past with respect to our water-power resources and the regulation of hydroelectric industry and commerce, let us lay the foundation and equip it with the machinery to do the business right.

The first Director of the Census of the United States was the President, George Washington, himself. Beginning thereafter with John Marshall, in 1800, the census was taken for the next 40 years by the Secretary of State. There was no Secretary of the Interior until 1849 and no Secretary of Agriculture until 1889. The Department of Commerce and Labor was first created in 1903 and the Department of Labor in 1913. In fact, in the past our Federal Government has tried a good many makeshifts in handling its business, and one of them was to attach the administration of our waterways and waterpowers as a sort of appendix to the War Department. I submit that it is time that not exactly an appendicitis operation be performed, but that these great resources of our Nation, among the most valuable permanent assets of the 100,000,000 people of our country, receive at the hands of Congress that enlightened, progressive, and business-like administration which their vast and vital importance to the development and prosperity of the Nation demand.

Too long have these great resources of the people been left to the tag-end of a military department. They are worthy of an administration of their own under the auspices of men especially trained in the development of commerce, industry, and navigation and the conservation of our public domain.

Such an efficient and adequate administration Congress may develop under the substitute bill which I propose, which provides that the Secretary of War, the Secretary of the Interior, and the Secretary of Commerce shall constitute the water-power commission of the United States. Under the provisions of this amendment we still retain the Secretary of War as a member of the administrative commission and the services of the Chief of Engineers on all engineering phases of water-power development and navigation. We have the Secretary of the Interior, who is chief director of the public domain and its conservation and development, and under him we have the Geological Survey and Reclamation Service, including the topographical branch, which is invaluable to any survey of lands showing the water-power capacity of a watershed. And we have the water-resource branch with its divisions of surface waters, underground waters, and water utilization, organized under the Chief Hydrographer; and likewise we have the General Land Office, which has jurisdiction over the public lands which so often constitute the source of the headwaters of our navigable rivers.

To these two departments now associated with water-power control under different acts of Congress, with more or less conflict of jurisdiction, as shown by the bills before this House, I propose to add the third, the Department of Commerce, which deals directly with the industries, commerce companies, and data concerned in the practical utilization of our water powers. Under the Department of Commerce we get the services of the Bureau of Corporations, which deals directly with the corporations which construct and operate the dams and develop, transmit, use, and sell the power generated on our navigable waters; we secure the services of the Bureau of Standards for the regulation of services by the establishment of scientific tests and standards of operation, production, and consumption; we enlist the statistical services of the Bureau of the Census and the practical commercial experience of the Bureau of Foreign and Domestic Commerce; we secure the engineering aid of the Coast and Geodetic Survey and the further practical cooperation of the Bureau of Navigation. The combined machinery, experience, and professional training of the three departments named under the administrative head of the three department Secretaries as a water-power commission form the basis for a comparatively ideal administration of the water-power resources of the country, as related to industry, commerce, and navigation.

The commission, thus fortified by the detailed examination and judgment of trained experts in every branch of the duties to be performed, with a strong and thoroughgoing water-power law, in which Congress sets forth their powers and duties, has the opportunity and equipment which this country heretofore has ever lacked to give the people an up-to-date progressive and efficient administration of water-power resources which will bring order out of chaos, establish industry where now there is wholesale waste, protect alike the consuming public and the legitimate producer of water power, develop commerce and

navigation, and conserve the great natural water resources of the United States, and that on a true and eminently practical basis of successful and sound business, founded on just rates and adequate service to the consuming public which requires light, heat, and power.

ANALYSIS OF PROPOSED BILL.

The method of handling the water-power question by the Government has developed two kinds of water power—those on the public domain and those on navigable streams. The Secretary of the Interior has jurisdiction over those on the public domain and the Secretary of War jurisdiction over those on navigable streams, and then we have a conflict of jurisdiction between the Secretary of the Interior and the Secretary of War. For example, a municipality may go to the Secretary of the Interior under this overlapping system of control and secure a lease of a water power for public purposes; and a public-service corporation may go to the Secretary of War and secure approval of a water-power project to be used for commercial purposes.

Two measures are pending before this House. One, H. R. 16673, originated with the Committee on Public Lands and is introduced by its chairman, the gentleman from Oklahoma. The measure gives the Secretary of the Interior power to issue irrevocable leases and permits of water powers on the public domain. The other, H. R. 16053, originates with the Committee on Interstate and Foreign Commerce and was introduced by its chairman, the gentleman from Georgia. It retains the power to grant permits in Congress and gives the Secretary of War power to regulate hydroelectric projects. The amended bill, which I offer as a substitute for the bill under consideration, to wit, H. R. 16053, overcomes the danger of such conflict of jurisdiction by making both the Secretary of War and the Secretary of the Interior members of the water-power commission. This is all the more necessary since the Supreme Court has decided that the watershed of a river having both navigable and non-navigable portions, as all Federal streams have, should be considered a unit. Hence the recent construction of the law as to water power makes it imperative that Congress provide an executive control for these waterways that will be a unit.

The amended bill follows:

A bill (H. R. 17854) to amend an act entitled "An act to regulate the construction of dams across navigable waters," approved June 21, 1906, as amended by the act approved June 23, 1910, and to create a water-power commission for the regulation of such dams and the power and electric current generated thereby.

Be it enacted, etc., That the act entitled "An act to regulate the construction of dams across navigable waters," approved June 23, 1910, be, and the same is hereby, amended to read as follows:

"SECTION 1. That the Secretary of War, the Secretary of the Interior, and the Secretary of Commerce shall constitute the water-power commission of the United States and hereby are authorized and required to execute and enforce the provisions of this act. The commission is hereby authorized and empowered to supervise and regulate the development, generation, transmission, sale, and use of hydroelectric power developed under any grant or lease hitherto given by Congress, or any grant, lease, or permit issued under the provisions of this act, for the construction and use of dams across the navigable waters of the United States.

"SEC. 2. That the consent of Congress is hereby given to any State, municipal subdivision thereof, or to any industrial or public-service corporation as a condition, or agency organized under and subject to the laws of such State, after obtaining the permit of the commission as hereinafter provided, to construct, maintain, and operate a dam or dams and accessory works for water power or other purposes across or in any of the navigable waters of the United States; and such grantee and such permit shall at all times be subject to the provisions of this act, and also subject to such conditions as the commission under the provisions hereof shall make a part of such permit.

"SEC. 3. As between contesting applicants for a permit hereunder, the commission shall have due regard to the use and purpose for which such permit is required, priority of purpose and of benefits conferred by such permit and project to rank in the following order:

"First. Benefits to navigation and conservation of water resources.

"Second. Public uses of the State, the municipal subdivisions thereof, and public institutions.

"Third. Industrial use for agricultural, mining, and manufacturing industries.

"Fourth. Commercial power for sale, barter, and exchange, and for use by public-service corporations.

"SEC. 4. That the navigable waters of the United States subject to the provisions of this act are declared to be, and are, the streams, lakes, harbors, and connecting waterways which Congress heretofore has declared or may hereafter declare to be navigable waters or possess navigable capacity.

"SEC. 5. That the commission is hereby authorized and empowered, under such terms, conditions, and general regulations as it may prescribe, consistent with the provisions of this act, to grant a permit to any State, municipal subdivision thereof, or persons organized under the laws thereof, as provided in section 2 hereof, for a period of not longer than 50 years, to construct, maintain, and operate dams, water conduits, reservoirs, power houses, transmission lines, and other works necessary and convenient to the development, generation, transmission, and utilization of hydroelectric power, which leases shall be irrevocable except as herein provided, but which may be declared null and void upon breach of any of their terms.

"SEC. 6. That when such permit granted by the commission to such grantee to construct and maintain a dam for water power or other purpose across or in any of the navigable waters of the United States, such dam shall not be built or commenced until the plans and specifications for such dam and all accessory works, together with such draw-

ings of the proposed construction and such map of the proposed location as may be required for a full understanding of the subject, have been submitted to the Secretary of War and the Chief of Engineers for their approval, nor until they shall have approved such plans and specifications and the location of such dam and accessory works; and after such approval it shall not be lawful to deviate from such plans or specifications either before or after completion of the structure unless the modification of such plans or specifications has previously been submitted to and received the approval of the Chief of Engineers and of the Secretary of War.

"Sec. 7. That as a part of such permit such conditions and stipulations may be imposed as the commission may deem necessary to protect the present and future interests of the United States, which may include the condition that the persons constructing or maintaining such dam shall construct, maintain, and operate in connection therewith, without expense to the United States, a lock or locks, booms, sluices, or any other structure or structures which the Chief of Engineers or the commission then may deem necessary in the interests of navigation, in accordance with plans made a part of such approval; and also that in case such facilities of navigation shall not be made a part of such original approval and construction, whenever the commission shall deem such facilities necessary, the persons owning such dam shall convey to the United States, free of cost, title to such land as may be required for such constructions and approaches, and shall grant to the United States free water power or power generated from water power for building and operating such constructions, and in such original approval, at the discretion of the commission, may be required to maintain and operate such lock without expense to the United States.

"Sec. 8. That as a part of said permit the commission shall require that the plans, specifications, and location for any dam shall be such as shall be best adapted to a comprehensive plan for the improvement of the waterway in question for the uses of navigation and for the full development of its water power and for other beneficial public purposes, and best adapted to conserve and utilize, in the interests of navigation and water-power development, the water resources of the region.

"Sec. 9. That as a part of the conditions and stipulations such permit shall provide—

"(a) For reimbursement to the United States of all expenses incurred by the United States with reference to the project, including the cost of any investigation necessary for the approval of the plans as heretofore provided, and for such supervision of construction as may be necessary in the interest of the United States.

"(b) For the payment to the United States of reasonable charges for the benefits which may accrue to such project through the construction, operation, and maintenance by the United States of headwater improvements, including storage reservoirs, on any such stream, such charges to be fixed from time to time by the commission and to be based upon a reasonable compensation equitably apportioned among the grantee and others similarly situated upon the same stream receiving benefits by reason of increase of flow past their water-power structures artificially caused by such headwater improvements, the total charges to all such beneficiaries from any such headwater improvement not to exceed in any one year an amount equal to 5 per cent of the total investment cost, in addition to the necessary annual expense of the operation of such headwater improvement.

"(c) That in the construction, maintenance, and operation of such dam and accessory works there may be occupied and used such lands of the United States as may be necessary therefor, and in consideration thereof the owner of such dam shall pay to the United States such charges, not to exceed an annual payment of 5 per cent of the fair value of such lands, as may be fixed by the commission, and in fixing such charges consideration shall be taken of the benefits accruing thereby to the interests of navigation as well as to the business of such grantee.

"(d) For the payment or securing the payment to the United States of such sums and in such manner as the commission may deem reasonable and just substantially to restore conditions upon such stream as to navigability as existing at the time of such approval, whenever the commission shall determine that navigation would be injured by reason of the construction, maintenance, and operation of such dam and its accessory works.

"Sec. 10. That the operation of navigation facilities which shall be constructed as a part of or in connection with any such dam, whether at the expense of such grantee or of the United States, shall at all times be subject to such reasonable rules and regulations in the interest of navigation, including the control of the level of the pool caused by any such dam, as shall be made by the Secretary of War and Chief of Engineers, and in the use and operation of such navigation facilities the interests of navigation shall be paramount to the uses of such dam by such grantee for power purposes. Such rules and regulations may include the maintenance and operation by such grantee, at its own expense, of such lights and other signals as may be directed by the Secretary of War and Chief of Engineers and such fishways as shall be prescribed by the Secretary of Commerce, and for failure to comply with any such rule or regulation such grantee shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be subject to a fine of not less than \$500 for each month's default, in addition to other penalties herein prescribed or provided by law.

"Sec. 11. That the persons constructing, maintaining, or operating any dam or appurtenant or accessory works, in accordance with the provisions of this act, shall be liable for any damage that may be inflicted thereby upon private property, either by overflow or otherwise.

"Sec. 12. That any grantee who shall fail or refuse to comply with the lawful order of the commission, made in accordance with the provisions of this act, shall be deemed guilty of a misdemeanor, and on conviction thereof shall be punished by a fine not exceeding \$1,000, and every month such grantee shall remain in default shall be deemed a new offense and subject such grantee to additional penalties therefor; and in addition to said penalties the Attorney General may, on request of the commission, institute proper proceedings in the district court of the United States in the district in which such structure or any of its accessory works may, in whole or in part, exist, for the purpose of having such violation stopped by injunction, mandamus, or other process; and any such district court shall have jurisdiction over all such proceedings and shall have the power to make and enforce all writs, orders, and decrees necessary to compel the compliance with the requirements of this act and the lawful orders of the commission and the performance of any condition or stipulation imposed under the provisions of this act; and if the unlawful maintenance and operation are shown to be such as shall require a revocation of all rights and privileges held under authority of this act, the court may decree such revocation. In case of such a decree, the court may wind up the business of such grantee conducted under the rights in question, and may decree the sale of the dam and all appurtenant property constructed or acquired under authority of this act, and may declare such dam and accessory works to be an unreasonable obstruction to navigation and

cause their removal at the expense of the grantee owning or controlling the same, except when the United States has been previously reimbursed for such removal, or may provide for the sale of the dam and all accessory and appurtenant works constructed under authority of this act for the further development of water power, and may make and enforce such other and further orders and decrees as equity demands; and in case of such a sale for the further development of water power the vendee shall take the rights and privileges and shall perform the duties which belonged to the previous grantee, and shall assume such outstanding obligations and liabilities arising out of the maintenance and operation of said dam and accessory works for power purposes as the court may deem equitable in the premises.

"Sec. 13. That no property or project installed and operated under the provisions or benefits of this act shall be assigned or transferred except upon the written consent and under conditions specified by the commission, except by trust deed or mortgage issued for the purpose of financing the business of such owner, and any successor or assign of such property or project, whether by voluntary transfer, judicial sale, or foreclosure sale or otherwise, shall be subject to all the conditions of the approval under which such rights are held, and also subject to all the provisions and conditions of this act to the same extent as though such successor or assign were the original owner hereunder.

"Sec. 14. That the rights herein granted shall continue for a period of not longer than 50 years from and after the date of the completion of the structure described in the original approval, and after the expiration of said period such rights shall continue until compensation has been made to said grantee for the fair value of its property, as hereinafter provided.

"Sec. 15. That at any time after the expiration of said period the commission may terminate the rights hereby granted upon giving to the owners thereof one year's notice in writing of such termination, and upon the taking over by the United States, or by any person authorized by the commission, of all of the property dependent in whole or in part for its usefulness upon the rights hereby granted, which shall include all necessary and appurtenant property created or acquired and valuable or serviceable in the distribution of water, or in the generation, transmission, and distribution of power, and all other property the value and usefulness of which would be destroyed or seriously impaired by such termination, and upon paying the fair value of said property together with the cost to the grantee of the lock or locks or other aids to navigation and all other capital expenditures required by the United States and assuming all contracts entered into prior to the receipt by it of said notice of termination which have the approval of the duly constituted public authority having jurisdiction thereof, or which were entered into in good faith and at a reasonable rate, in view of all the circumstances existing at the time such contracts were made. The fair value of said property and the reasonableness and good faith of such contracts shall be determined by agreement between the commission and the owners of such property, and in the event of their failure to agree, then by proceedings instituted by the United States, or by any person authorized by Congress, in the district court of the United States within which any portion of such dam may be located. In the determination of the value of said property upon the termination of said grant as above provided no value shall be claimed by or allowed for the consent hereby granted, nor for good will, profit in pending contracts, nor other conditions of current or prospective business, and it is further provided that lands, rights of way, and interests therein, shall be valued on the basis of actual cost.

"Sec. 16. That all charges, rates, and service by any grantee or lessee hereunder, or connecting company engaged in the transmission and sale of power and electric current generated by any project subject to the provisions of this act, shall be reasonable, adequate, without discrimination, and subject to the regulations of the commission. To enforce such just and reasonable and nondiscriminatory charges and secure adequate and efficient service to consumers, the commission is hereby authorized and empowered to prescribe and examine reports and systems of account, books, and other records, establish standards and make tests of service, control the issuance of stocks and bonds by corporations engaged in the generation, transmission, or sale of such hydroelectric product, and require them to submit statements of all costs of property, production, distribution, sale, and use of product, subject to such grant or lease and connected with such project, furnishing such information upon oath or by witness or in such form and upon such blanks as the commission may order and require; and on complaint of any State, municipality, or consumers affected thereby, and full hearing thereon, the commission is empowered to determine and prescribe the maximum rates to be charged, based on fair and reasonable returns on the valuation of the property and cost of operation, and ascertain and order the requirements of service to be rendered; and in case of any violation of such orders of the commission, or the refusal of such grantee or lessee to give the commission and its agents full access to its property and records, the provisions of this act relative to forfeiture and failure to comply shall apply. It is herewith provided, however:

"(a) That when a State in which such water power and electric current is used shall notify the commission of the passage of laws and the perfecting of administration to effectively provide for such regulation of rates, charges, and service within such State and its municipal subdivisions, the regulations of the commission shall not apply to local and intrastate business therein.

"(b) That when the power generated by such project enters both interstate and intrastate commerce, the commission is hereby authorized to join with any State in which such power is used in effecting such joint and interlocking system of Federal and State regulation as in its judgment shall most effectively promote the general public interest and carry out the purposes of this act.

"(c) That in such valuation for rate-making purposes of the property operated under such grant there may be considered by the commission any lock or other aid to navigation, including all capital expenditures required of the grantee by the United States, but no value shall be allowed for the good will or franchise value of the lease or permit hereby or heretofore granted.

"Sec. 17. That the grantee shall commence the construction of the dam and accessory works within one year from the date of the approval herein provided, and shall thereafter, in good faith and with due diligence, prosecute such construction, and shall, within the further term of three years, complete and put in commercial operation such part of the ultimate development as the commission shall deem necessary to supply the reasonable needs of the then available market, and shall, from time to time thereafter, construct such portion of the balance of such ultimate development as said commission may direct and within the time specified by said commission so as to supply adequately the reasonable market demands until such ultimate development shall be completed; and extensions of the periods herein specified,

not to exceed two years, may be granted by the commission, on recommendation of the Chief of Engineers, when, in his judgment, the public interest will be promoted thereby. In case the grantee shall not commence actual construction within the time herein prescribed, or as extended by the commission, then the authority as to such grantee shall terminate, and in case any dam and accessory works be not completed within the time herein specified or extended as herein provided, then the Attorney General, upon the request of the commission, shall institute proper proceedings in the proper district court of the United States for the revocation of said authority, the sale of the works constructed, and such other equitable relief as the case may demand, as provided for in section 13 of this act.

"SEC. 18. That the commission may lease to any applicant embraced in section 2 hereof, who has complied with the laws of the State in which the dam is constructed or to be constructed by the United States, the right to develop power from the surplus water over and above that required for navigation at any navigation dam now or hereafter constructed, either with or without contribution by the applicant, and owned by the United States, and on such terms as may be deemed by the commission for the best interests of the United States, and in awarding such lease preference shall be given to the applicant whose plans are deemed by the commission best adapted to conserve the public interest as provided in section 3 hereof, and all such leases and the parties thereto and the terms and conditions thereof shall be subject to the control and regulations of the commission under the general provisions of this act.

"SEC. 19. That no works constructed, maintained, and operated under the provisions of this act shall be owned, trusted, or controlled by any device or in any manner so that they may form a part of, or in any manner effect, a combination in the form of an unlawful trust or form the subject of an unlawful contract or conspiracy to limit the output of electric energy or in restraint of the generation, sale, or distribution of electric energy, or the exercises of any other business contemplated: *Provided, however,* That it shall be lawful under the approval and regulations of the commission for different grantees to exchange and interchange currents to enable any grantee to secure assistance to carry on the business and supply his customers, accounting therefor and paying therefor under regulations to be prescribed by the commission.

"In no case shall such an arrangement be permitted to raise the price, render unjust or unfair any practice, work, or discrimination, or operate in restraint of trade.

"SEC. 20. That the word 'persons' as used in this act shall be construed to import both the singular and the plural, as the case demands, and shall include corporations, companies, and associations, or other grantees. The word 'dam' as used in this act shall be construed to import both the singular and plural, as the case demands.

"SEC. 21. That all the provisions of this act for regulating the construction and use of dams and the transmission, sale, and use of power developed thereby shall apply alike to all existing enterprises in operation or authorized, as well as to new projects to which the consent of the commission may hereafter be granted. It is likewise provided that holders of previous authorizations are entitled to receive on application to the commission new permits subject to the provisions of this act and subject further to such terms and conditions as the commission shall deem just and reasonable in the premises and for the best protection of the public interests.

"SEC. 22. For carrying out the provisions of this act the commission shall have authority to appoint a secretary and employ such experts, assistants, and other employees as it may find necessary to the proper performance of its duties, and provide for the compensation and expenses of the same and the necessary office supplies from such sum as shall be provided by law."

Before taking up an analysis of my bill I wish to say that in drafting H. R. 17854 I have profited by a number of provisions that seemed wise, wholesome, practical, and for the safeguarding of the public interests which I note in the public-domain bill. Likewise, in drafting the section which provides for the regulation of hydroelectric service and also in the section which covered the powers and duties of the water-power commission, I have followed, in the main, similar provisions found in the interstate-commerce act. Moreover, I have profited by the Canadian, German, French, and Swiss water-power acts, especially the new acts of 1909 and later, and also from the official suggestions of Government experts connected with the Departments of War, Interior, and Commerce and with the Interstate Commerce Commission.

To summarize:

Section 1 creates a water-power commission of the United States, consisting of the Secretary of War, the Secretary of the Interior, and the Secretary of Commerce, to enforce the act and regulate hydroelectric development, generation, transmission, sale, and use by and from dams across navigable waters.

Section 2 specifies and restricts the class of grantees to which permits may issue, protecting against indiscriminate grants to irresponsible parties and limiting such permits to States, municipalities, or an industry or public-service corporation, association, or agency organized under and subject to the laws of such State where the project is located.

Section 3 provides for the contingency of contesting applications for grants of and determines the issue on the basis of priority of purpose and public benefit from the use. The section follows the Adamson bill in naming as the first ground, or priority of benefits, navigation and protection of water resources, because the power of Congress in the premises is derived from its control of navigation. This section also follows the Ferris bill in naming the public use as the next in priority. Direct industrial use by agricultural, mining, and manufacturing industries follows next in order, because these industries should not be compelled to go to the middleman in the shape of a public-service

corporation in order to develop industry from public power. Commercial power for sale, barter, and exchange, and for use by public-service corporations is next in order and ranks fourth and last. While this last class of applications will be the most numerous and have the largest capital backing, their demands should be held subordinate to navigation, State and municipal public use, and industries; otherwise the enactment of the bill into law would lead to the ultimate and irrevocable establishment of the very danger that we are trying by this legislation to prevent and combat, namely, the monopolization of our hydroelectric resources by large commercial forces, thereby compelling the people of the United States who own the streams and water powers to submit to the excessive charges of middlemen in order to get access to and benefit from their own public resources in the earth and its waters. All the new water-power acts of progressive countries and States in America and Europe provide public safeguards against such danger of monopoly, and we of all countries must guard against such commercial aggrandizement.

Section 4 defines navigable waters over which the commission has jurisdiction as those which Congress has declared and may declare navigable. This settles the controversy raised between the Committee on the Public Lands and the Interstate Commerce Committee in the debate on the Adamson bill the other day and in connection with the Supreme Court decisions referred to, to determine the boundary of the water-power commission's jurisdiction as nearly as it is practically possible.

Section 5 marks a new departure in regard to the issue of water-power permits on navigable streams. It places them on the same basis as water-power permits on the public domain, so far as being issued by the administrative interest of the legislative branch of the Government. Besides, whereas public-domain permits on navigable streams under this bill are issued by the Secretary of the Interior, water-power permits on navigable streams under this bill are issued by the commission. We know from experience that a special act of Congress is a failure. Special legislation on such subjects has never worked satisfactorily either in State or Nation. In my own State the people amended the constitution several years ago so as to prohibit special legislation. It is impossible for a large legislative body made up of members from every section of the Union to possess accurate knowledge sufficient to intelligently pass upon each application. Besides, the custom of congressional courtesy has arisen in such matters, and Members having special bills accepting the statements of another Member with a like bill, which gives rise to a condition of logrolling, which is demoralizing to anything like a businesslike and scientific administration of the public business and the conservation of the natural resources. In this grant of permit-issuing power to the water-power commission I have followed the main provision of the Ferris bill and the Department of the Interior act in its grant of power to issue leases to the Secretary of the Interior. This act has been tried and thoroughly tested and proven to be a wise measure both for conservation and development. As stated in the debate by the gentleman from Oklahoma, the act administered by the Secretary of the Interior has developed more water power than all the congressional acts the War Department has granted for several years. The addition of the Secretary of War and the Secretary of Commerce should strengthen the measure, as it will bring into the discussion of such grants the two departments directly concerned with navigable waters and commerce, and therefore cover the whole subject.

The above five sections constitute the most distinctive sections of the substitute bill. In brief, they create a water-power commission, specify and restrict the class of grants, define the extent of the commission's jurisdiction over navigable streams, set up a basis for priority of purpose, public use and benefit to govern the issuing of permits, clothes the commission with power to issue permits and regulate the projects built and operating, and surround both the commission and the grantees with legal restrictions to issue on the one hand, the grantee in the possession of an irrevocable lease of not longer than 50 years, so long as he abides by the lawful conditions thereof; and on the other hand, the public with the development of its water powers under proper legal safeguards.

The above five sections added to the present law, approved June 25, 1910, may indeed constitute a well-developed basis for water-power administration and development.

But I am not unmindful of the able and efficient work of the Interstate and Foreign Commerce Committee of this House in taking testimony from water-power expert authorities and drafting a bill to meet the wishes of business men that have been successful in promoting, financing, organizing, and operating hydroelectric enterprises; and I appreciate the force of the practical view of the chairman of that committee, the gentleman

from Georgia, when in his speech on June 30, explaining House bill 16053 to this House, he said:

The committee bill, it is believed, will invite and attract capital to construct dams in the navigable streams of the country and improve the navigation of these streams and develop water power at the same time. At this time there is not a single dam under construction in navigable waters by private capital. If the House will pass the bill just as the committee has reported it, within a year's time it is believed that the construction of dams in the navigable rivers of the country by private capital will begin and continue. It is true that there is no market for the power that will be developed at many of these dams, but markets will be created at or near the dam sites for manufacturing air fertilizers and other electric-furnace products. If the bill is passed, hydroelectric developments that have been going to Canada and Europe and are now going to these countries will stop and the developments will, as they should, be maintained for the navigable streams of our own country.

The distinguished chairman of the Interstate and Foreign Commerce Committee reinforced this statement with the testimony of such leading hydroelectric managers and promoters as J. W. Worthington, of Alabama, Hugh L. Cooper, the owner and builder of the Keokuk Dam, and such other financial and hydroelectric authorities as Harris & Son, Forbes & Co., Hodenpyl, Hardy & Co., E. H. Rollins & Sons, Lee, Higginson & Co., and Esterbrook & Co., the testimony of all of whom is published in the hearings had before the gentleman's committee and supported the general tenor of the recommendation of that committee.

I appreciate the force of the testimony of Mr. Cooper, who gave the committee a list of 56 American and European banking houses that refused to finance the Keokuk project under existing grants and conditions. Likewise, I took note of the testimony of Mr. Worthington, to the effect that 19 hydroelectric companies, controlling 506,500 horsepower of water projects, have been through receiverships or proved bad investments. I note the point made by the gentleman from Georgia, that the ultimate development in the State of Georgia will be 250,000 horsepower, that on the Chattahoochee the development will reach 300,000 horsepower, and that on the Coosa River there is a possible development of 300,000 horsepower. I also appreciate the force of the gentleman's statement that—

Twenty-three authorizations out of 25 have not moved a peg under the 1906 act, and that although in the past we have granted 95 authorizations to build dams for the improvement of navigation through the temptation and incentive of private gain to the investor we have only succeeded in seeing about 13 constructed and put in operation.

In short, Mr. Speaker, as stated by the chairman of the committee, "capital is a very old bird" and has been hard to bait into the trap, but the committee announces that it has found "bait" that will lead the quarry into the trap. They have made the proposition sufficiently attractive to capital, and they have the testimony of capital to sustain that.

"So we introduced this bill," says the chairman, the gentleman from Georgia, "and reported it, and I believe it will be a great blessing to the country if passed." Among these blessings the gentleman unfolds to the people on the Coosa and Chattahoochee how private capital thus attracted will "open up all this navigation and at the same time furnish the people light and the cleanest, best, and cheapest fuel, electric force enough to manufacture not only fertilizer but every other conceivable thing that the genius of the country could think of, and make a network of trolley lines all over the fair country."

So, gentlemen of the House, after providing in the above five sections for an efficient administrative commission to execute the provisions of this act and define their duties and jurisdiction and surround the same with proper safeguards, I propose to embody in my amended bill substantially all the entire body of the bill drafted and reported by the Committee on Interstate and Foreign Commerce, in order that the provisions on which the committee relies for promoting such an era of hydroelectric development and prosperity as that pictured by its chairman may have full and untrammelled power to see the light of day. The committee bill, whether intended so or not, is nothing more or less than a make-believe attempt to get away from the old doctrine that was so universally accepted in the past—that restriction imposed upon the right to make assault upon nature's storehouses was a restriction and an abridgment of human liberty, and therefore hostile to the principle of free government. The committee bill is ingenious in this respect. It purports to supervise the development and use of hydroelectric power, one of the greatest natural resources known to man, whereas in truth and in fact it only permits private capital to make assault under the guise of Government regulation upon this boundless and inexhaustible source of the Nation's wealth.

I am anxious to see this storehouse unlocked to the activities of the great captains of industry, but under such terms and conditions as will redound to the benefit of the public and not to enrich a few hydroelectric groups that have already fastened their tentacles upon this industry.

To resume analysis of the amended bill:

We are reminded by the gentleman from Oklahoma, chairman of the public-domain committee, that House bill 16053 apparently divests the Secretary of the Interior of jurisdiction over water power on public lands and has a few other dangerous points in matters of detail, which should be amended before the bill can pass the House. Therefore, in my substitute amendment, I have attempted to meet such contingencies while following the general provisions of House bill 16053.

Section 6, after the opening words, which refer to the permit as issuing by the commission, instead of being granted by Congress, is a recapitulation of section 1 of House bill 16053, in which approval of plans and specifications is left wholly, as in the original bill and present law, in the hands of the Secretary of War and Chief of Engineers.

Section 7, which governs the construction of locks, booms, sluices, and other works required of the grantee for the protection of navigation, is the same as in section 2 of House bill 16053, except the regulation is in the hands of the commission and Chief of Engineers instead of in the hands of the latter and the Secretary of War.

Section 8, which provides that the project shall adapt itself to a comprehensive policy of water improvement, is the same as section 3 of the pending bill, except that the commission controls instead of the Secretary of War and the Chief of Engineers.

Section 9, with its four subdivisions, specifying the conditions of construction, maintenance, and operation of dams, is taken over bodily.

Section 10 leaves the operation of navigation facilities in connection with the dam, including the level of the pool, lights, and signals, under the supervision of the War Department, as in the original bill.

Section 11, which provides that the grantee is liable to damages, is the same as under the existing bill.

Section 12, the penalty and forfeiture clause, which provides for legal process by injunction, mandamus, and fine, and conditions of property for violation of the act, is unchanged.

Section 13, governing the transfer and assignment of property, is unchanged, except the written consent of the commission is substituted for that of the Secretary of War.

Section 14 of the amended bill differs from section 9 of the original in that the period of the grant, instead of being a uniform and strict 50-year grant in all cases, is arranged to read "a period of not longer than 50 years." This gives the commission latitude to adjust the term of the grant to suit the condition. While a public-service corporation might want a flat 50-year grant, a State institution or municipality might want a shorter term, as, indeed, a mine or mill might contemplate a use for materially less than a 50-year period. Then, again, in renewing a partially expired permit under the provisions of this act it might be against public policy to give a company whose term had only five years to run the same 50-year period in a new permit that another received who was entitled to several times five years under its original grant. Furthermore, as this bill aims to effect cooperation of Federal and State regulation in the case of projects which are both interstate and local in the extent of the commission to effect such desired result, it should have the latitude to adjust its arrangements to harmonize with the State law. A State water-power grant varies from 20 to 40 years. In a number of new State water-power acts, however, whatever term is secured by the grantee, whether 50 years or less, he knows the term before he undertakes the project. The term is irrevocable thereafter, except his own violation of the law or terms of the permit, so that capital is on just as secure a basis as under the original bill. Experts who lay stress on this 50-year term of the grant are careful not to allude to European provisions on the subject, where successful hydroelectric projects are being financed at this time on a 30-year grant in some cases and for periods varying from 25 to 50 years, according to conditions. Experience shows that where a company gives the public satisfactory service and reasonable rates and attempts no extortion or evasion of the law there is little disposition to refuse a renewal of its permit at the expiration of the original term. An unduly long term, on the other hand, is a premium on high rates, indifferent service, and autocratic treatment of the public and its lawful authorities.

Section 15 provides, in the main, the text of section 10 in the original bill. It deals with the expiration of the term of the grant and the process to be followed in case the Government takes over the property. The principal difference is, first, that the amended draft substitutes the commission for the Secretary of War in making the adjustment; and, second, that in the event of the purchase of the property by the Government that the public settles for the land and the right of way on the basis of the original cost, instead of on the basis of released valuation after population of the surrounding country has added a large unearned increment to land values. In this the amended bill

follows the public-domain bill, reported by the Committee on the Public Lands.

Section 16, which covers the vital and far-reaching subject of regulation of rates, charges, and service of companies engaged in hydroelectric development, transmission, sale, and use, is a complete redraft of section 11 of the original bill, besides being far more complete and detailed in its provisions, attempts to take that section out of its present condition of uncertainty and mystery. In shaping the revised section the interstate-commerce act for the regulation of common carriers is followed in main outline. The water-power commission is given regulation of hydroelectric service and rates on practically the same basis as the Interstate Commerce Commission over railways, telephones, telegraphs, and express companies' rates and service. The bill, however, while denoting the general terms of control, including authority to prescribe accounts, reports, maximum rates, and service standards, with full access to property and records to ascertain cost units and otherwise, does not attempt the minutia of detail contained in the interstate-commerce act, which does not appear necessary, but the main skeleton of procedure is clearly denoted in such manner as to give the commission full authority to make regulation effective in the public interest. Regulation embraces not only new projects but all existing projects, so that under the bureaus and departments of the Secretary of War, the Secretary of the Interior, and the Secretary of Commerce it is possible for the Federal Government to enforce upon the hydroelectric service of the country that salutary and systematic supervision that the country has secured over railroad rates and service.

The cooperation of the State is fully recognized in cases of local and intrastate electric service, and where the electric current from the water-power projects, as in a number of cases, is both intrastate and interstate commerce the commission is authorized to arrange with the State or States affected a joint and interlocking Federal and State system of regulation. Thus, instead of conflict between Federal and State jurisdiction, with resulting "twilight zones" of no control or popular prejudice against Federal control, there will be a spirit of cooperation and mutual helpfulness in which the Federal Government comes to the aid of the people of the State, where otherwise they would be powerless to remedy the situation and cope with the interstate-commerce interests. Provision is made for complaint by the State, its municipalities, and consumers. Public hearings are held and violations are covered by the general penalty and forfeiture provisions of the act. However, in fixing the property valuation of the grantee as a basis for rate making, no good will or franchise value of lease or permit is allowed.

Section 17 governs the progress of the construction of the works in accordance with the original bill.

Section 18 governs the lease of dams built by the Government, according to the provisions of the original, except that in cases of contesting applications for the lease the priority rule laid down in section 3 of the amended bill applies, namely, navigation, public use, and industrial use take precedence over power for commercial sale.

Section 19, the antitrust section, is similar in general outline to the original bill except in two vital particulars: Exchange of current between two different grantees is allowed, subject not only to approval but to regulations laid down by the water-power commission; and, second, the obscure and miscellaneous to grantees to assist one another whenever necessary as given in section 15 of the original bill is omitted. This avoids the danger of giving the hydroelectric group, as the General Electric aggregation, general immunity from the antitrust laws.

Section 20 covers the ground of section 16 of the original act, with an immaterial addition which better fits the amended form. Sections 13 and 17 of the original bill are omitted and a substitute is offered for the latter. Section 13 of the original bill in its latest form contains what appears to be a woodchuck. On the face of it the section reserves the right of Congress to amend or repeal the act, but the ulterior meaning is doubtless the opposite and the force of it may be to give the grantees a contract which stops Congress from the exercise of its constitutional power to amend its own acts of regulation. The section begins as follows:

SEC. 13. That the right to alter, amend, or repeal this act is hereby expressly reserved as to any and all dams which may be authorized in accordance with the provisions of this act *wherever Congress determines that the provisions of this act have been violated.*

Evidently the legal construction to be placed on this section, in the light of the clause italicized is that unless Congress determines that the terms of the grant have been violated—and the grantee can well afford to avoid that contingency—Congress can not exercise its right to alter, amend, or repeal

this act of public regulation without liability being incurred by the Government for violation of vested rights. No stipulation of this kind should go into a general regulation act.

Section 21 is a complete revision of section 17 and avoids two dangers: First, a wholesale repeal of all acts of Congress embracing former authorizations and grants; and, second, a wholesale reissue of new 50-year grants. Regulation of construction, transmission, sale, and use of hydroelectric plants and products is applied to all projects present and future; but instead of wholesale repeal of existing grants and reissue thereof for 50-year terms, holders of previous authorizations are given the opportunity to recharter under the new act under conditions which the commission may deem just in the premises.

If the old grant is near expiration, the commission will have a chance to issue a new short-term permit that would be fair to the company and to the public, and if the grantee has scarcely started on the term of the old grant, he may receive a new long-term grant that will be just under the conditions. If the outstanding contracts and obligations of the company are such that the repeal of its old charter would be unwise, it may still operate under the regulations of the commission as to accounts, reports, rates, and standards of service while retaining its old charter. In short, the redraft of section 17 in section 21 hereof gives the water-power commission complete and elastic administrative authority to adjust each situation on a basis that is at once practical from the viewpoint of business, and at the same time fully protects the interests of the Government and the general public.

The final section, 22, authorizes the commission to appoint a secretary and other needed help, subject to such appropriations as may be provided by law.

The amended bill, as a whole, combines, I believe, the best provisions of the pending bill, while at the same time utilizing the best suggestions contained in the Public Lands Committee bill. It therefore combines the best ideas of the Secretary of the Interior and his experts with those of the Secretary of War and his advisers. It then proceeds to join the forces of the two administrative departments for carrying out the provisions of the bill, and adds the Department of Commerce, with all its valuable machinery, to complete the program. The bill also provides for the best that France, Germany, Switzerland, and Canada, where water-power administration has proven to be a practical success, has to offer, together with much that experts have laid before the two committees of this House on the subject of water-power development and regulation.

Incidentally, moreover, the amended bill provides for a peaceful settlement of the differences between the committee and Members who stand for water-power control by the Secretary of War and those who stand for water-power control by the Secretary of the Interior. Mediation is provided by a joint commission of three. As stated before, the Supreme Court of the United States apparently requires some such joint control in order to bring about effective control by Congress over the water-power situation. In the Rio Grande case the court stopped the construction of a dam on the nonnavigable portion of the Rio Grande in New Mexico because it affected navigation on the navigable portion of the river on the international boundary. In this and the Chandler-Dunbar case, affecting the St. Marys River, the court took the advanced position that control of Congress reached the entire stream and watershed to its ultimate source and should be considered as a unit. This merges the jurisdiction of the Secretary of the Interior over waterways and public lands into the same control as that of the Secretary of War over navigable waters, and I submit the proposition to this House that this means, both in law and logic, that if Congress desires adequate and effective administration over its vast water-power resources, it must effect a joint executive administration thereof instead of a divided, conflicting, and ineffective attempt at administration. Merging the Departments of War and Interior with that of Commerce is logical for the full control of industries, commerce, and navigation involved. I submit it is the businesslike solution of our great navigation and water-power problem.

DIVIDED CONTROL OF HEADWATERS.

Mr. Chairman, the very text of the pending bill forces upon this House the necessity of broadening the administration of our waterways and water powers. The Interstate Commerce Committee of this body have drafted into section 4 of House bill 16053 four subsections as a part of the conditions and stipulations which shall go into every water-power grant of Congress, whether they be previous authorizations of the United States or those to be made in the years to come.

One of those conditions and stipulations is subsection (b), which provides for the payment to the United States of charges

for "the benefits which may accrue to such project through the construction, operation, and maintenance by the United States of headwater improvements, including storage reservoirs." It relates to "benefits by reason of increased flow past their water-power structures artificially caused by such headwater improvement," which are to be charged against the several grantees which receive increased power thereby, "such charges to be fixed from time to time by the Secretary of War and Chief of Engineers."

Subsection (c) of this section provides the following condition and stipulation of every water-power grant:

That in the construction, maintenance, and operation of such dam and accessory works there may be occupied and used such lands of the United States as may be necessary therefor, and in consideration thereof the owner of such dam shall pay to the United States such charges, not to exceed an annual payment of 5 per cent of the fair value of such lands, as may be fixed by the Secretary of War and Chief of Engineers.

Other sections of this bill likewise extend the jurisdiction of the Secretary of War and Chief of Engineers to the sources of the waterway. Section 3 gives the War Department control of water-power grants to the end that the plans, specifications, and location of the dam "shall be best adapted to a comprehensive plan for the improvement of the waterway," and "best adapted to conserve and utilize, in the interests of navigation and water-power development, the water resources of the region." Section 5 gives "control of the level of the pool" and other conditions affecting navigation to the Secretary of War and Chief of Engineers; and the entire subject of obstructions to navigation, as well as water supply affecting navigable capacity, is in the control of the Secretary of War and Chief of Engineers.

I am not questioning the wisdom of these provisions, but I am calling attention to the fact that we may know where the facts lead us. Now, here is one of the dilemmas into which the facts and these provisions of the bill lead us.

Everyone knows that the public lands of the United States yet remaining unsold are chiefly at the headwaters of our streams. The lower valleys have been taken by settlers and largely placed under cultivation. The valleys always go first, because they offer the best opportunities to agriculture. The hills that are the sources of the streams constitute the public-land remnant, for the administration of which we have created the Interior Department.

The land areas unappropriated and unreserved, which constitute the headwaters of our chief navigable rivers, compose a great scattered empire. Not including 360,000,000 acres in Alaska, there are still nearly 300,000,000 acres of public lands unsold and unreserved in the United States. These are largely in the chief water-power States. Then there are 186,000,000 acres in our national forests, and these are located chiefly at the headwaters of our streams, and, more than that, constitute an important factor in the maintenance of our streams, both for water power and navigation.

In looking over the water-power statistics compiled by the Geological Survey and Bureau of Corporations I find that 44,000,000 horsepower of the 60,000,000 of the potential maximum that may yet be developed is in the Western States, in which lie the bulk of our public lands. The nine States of California, Oregon, Washington, Montana, Idaho, Wyoming, Colorado, Arizona, and Utah are credited by the Commissioner of Corporations with the possession of 70 per cent of the estimated minimum water power of the United States. Over 2,000,000 additional horsepower of the assumed maximum and 1,000,000 horsepower of the available minimum is credited to Minnesota, Wisconsin, Illinois, and Michigan, which are the sources of the Mississippi and Great Lakes watersheds.

When we consult the public lands statistics and the national forests statistics, we find that these same States hold the great public land and forest reserves of the Nation under the control of the Secretary of the Interior.

Moreover, when we open the report of the Committee on the Public Lands of this House and consult the data on water-power hearings, we find that "installation of water wheels aggregating 18,000,000 horsepower capacity may reasonably be made on power sites of the public domain on the basis of low-water conditions, and that this may be increased to 20,000,000 horsepower if all storage facilities are realized."

The reports of the Geological Survey and Forest Service give a detailed list of 370 plants of 2,949,000 estimated horsepower capacity already installed in 11 Western States containing the lion's share of our public lands. These water powers are located either on the navigable or nonnavigable portions of the navigable waters which the pending bill places under the control of the Secretary of War and Chief of Engineers, while at the same time these water powers, or the sources of their water

supply, are largely within the public domain which is under the executive administration of the Secretary of the Interior.

The bill reported by the Public Lands Committee of this House provides that the Secretary of the Interior is authorized and empowered to issue leases, under such terms, conditions, and general regulations as he may prescribe, to construct, maintain, and operate dams, water conduits, reservoirs, power houses, transmission lines, and other works necessary and convenient to the development, generation, transmission, and utilization of hydroelectric power within the boundaries of the public domain; and these boundaries contain those headwaters and lands which the pending bill of the Interstate Commerce Committee place under the control of the Secretary of War and Chief of Engineers. There appears to be only one logical solution—to place both departments on the commission for the control and regulation of water powers. The unit of regulation must be coextensive with jurisdiction.

There is an interesting situation which illustrates the case in my own State of Minnesota. The greatest Federal reservoir enterprise of the United States is that at the headwaters of the Mississippi River in Minnesota. The project in force, which is 95 per cent completed, contemplates the construction of six great reservoirs at Winnibigoshish, Leech Lake, Pokegama, Sandy Lake, Pine River, and Gull Lake, and an equalizing canal between Winnibigoshish and Leech Lake Reservoirs. Up to the time of the last report of the Chief of Engineers the total of \$1,633,963 had been expended. The five timber dams originally built have been in operation many years, and have been instrumental in conserving for the summer months of the year both navigation on the upper Mississippi and power for the large number of water powers on the upper river for the Twin City district and 200 miles above.

Page 19 of the report of the Chief of Engineers, June 30, 1913, states of the purpose:

The reservoirs are operated mainly with a view to the improvement of navigation on the Mississippi River, but with due regard to other legitimate interests. Incidentally they are of great benefit in mitigating floods and in regulating the flow of water for power purposes.

The reservoirs are now being reconstructed with reinforced concrete and made thoroughly modern and efficient in every respect. Of course, everyone in our State, especially business men associated with flour and lumber manufacturing industries, and public utility companies using light and power, know that the greatest benefit derived for years has been from increased, improved, and more uniform and reliable hydroelectric and direct water power. These reservoirs have been a prominent factor in Minnesota's wonderful industrial development. My colleague from the neighboring district [Mr. STEVENS] has called attention to the fact that these reservoirs have given the upper Mississippi 18 inches of added depth of flow during the summer months. Of course, you can not give this added flow to navigation without giving it to the numerous water powers over which the stream flows.

There are seven hydroelectric installations on the Mississippi in Minnesota in operation at the present time, of something like 75,000 aggregate horsepower capacity, but the completion and operation of as many other authorizations will eventually double the hydroelectric capacity of the upper Mississippi in our State; and the great regulatory source for conservation and maintenance of all of these water powers is the great reservoir system of the Federal Government at Mississippi headwaters.

These works have been built by the War Department and are under the supervision of the Chief of Engineers. At the same time, the Government has still a considerable block of public lands in and around Mississippi headwaters in our State.

The situation in Minnesota illustrates the force of the point of the amended bill which I offer as a substitute to this House. Our jurisdiction and regulation of this subject must be a unit in order to secure efficiency and develop and conserve the national resources, while developing industries, commerce, and navigation. Join the Secretaries of War, Interior, and Commerce and you have a trinity of executive administration which fully meets all requirements from every legal, political, and business point of view; and this House and the country may go forward with full confidence that henceforth the United States has laid a foundation for waterway and water-power administration second to none in the world.

Mr. ADAMSON. Mr. Chairman, I desire to renew my request that all gentlemen who speak have the right to extend and revise their remarks.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that all gentlemen who speak on this bill may be permitted to extend and revise their remarks in the Record. Is there objection? [After a pause.] The Chair hears none.

Mr. STEVENS of Minnesota. Mr. Chairman, I yield 15 minutes to the gentleman from Nebraska [Mr. SLOAN].

Mr. SLOAN. Mr. Chairman and gentlemen, on the 3d day of March, 1914, on the floor of the House I submitted some remarks upon the agricultural schedule of the Underwood tariff bill. In these remarks especial attention was called to the statement of the Ways and Means Committee of the House in support of that bill, where its majority members declared, on page 18 of that report, "In our judgment, the future growth of our great industries lies beyond the seas." Upon that occasion I submitted tables showing the importations of certain impor-

tant farm products for the first four months under the new tariff bill compared with corresponding months one year before.

Special attention was called to the vast increase in each of these articles admitted at our ports under either removal of the duty or radical reduction.

I have taken occasion to prepare from authoritative sources the imports, both as to quantity and value, of 27 of the leading agricultural products, a part of Schedule G and one item of K, affected by the Underwood tariff bill, for the first eight months following the enactment of that law. Tables are herewith submitted with explanatory notes.

Imports into the United States of certain farm products for October, November, December, 1912, January, February, March, April, and May, 1913, under the 1909 tariff act, together with the imports for the same articles for the same months during 1913 and 1914 under the 1913 tariff act; the total imports of these articles for the eight months under the present law compared with the same eight months under the 1909 law and the per cent of increase; the total imports of these articles for the eight months under the present law compared with the imports under the 1909 law for a full year ending June 30, 1913.

| Article. | October, 1913. | | October, 1912. | | November, 1913. | | November, 1912. | |
|---|----------------|-------------|----------------|-----------|-----------------|-------------|-----------------|-----------|
| | Quantity. | Value. | Quantity. | Value. | Quantity. | Value. | Quantity. | Value. |
| Cattle ¹number.. | 120,639 | \$3,389,067 | 27,096 | \$578,843 | 123,118 | \$3,306,723 | 43,758 | \$829,353 |
| Horses ²do..... | 2,154 | 227,150 | 1,704 | 398,102 | 4,705 | 295,262 | 1,474 | 104,217 |
| Sheep ³do..... | 26,035 | 57,856 | 3,466 | 15,562 | 46,995 | 99,187 | 5,077 | 24,731 |
| Animals, other (including live poultry) ⁴do..... | | 55,836 | | 34,612 | | 87,086 | | 24,842 |
| Bread and biscuits ⁵do..... | | 33,855 | | 32,809 | | 46,412 | | 30,457 |
| Corn ⁶bushels.. | 473,259 | 378,011 | 226,471 | 114,796 | 1,632,643 | 1,182,672 | 25,819 | 21,567 |
| Oats ⁶do..... | 2,524,793 | 886,994 | 379 | 186 | 6,132,308 | 1,821,789 | 4,266 | 2,052 |
| Wheat ⁷do..... | 233,217 | 213,483 | 52,213 | 29,510 | 127,039 | 107,011 | 2,187 | 2,192 |
| Hay ⁸tons..... | 15,862 | 131,004 | 17,619 | 154,986 | 19,577 | 167,690 | 10,025 | 88,068 |
| Beef and veal ^{9,10}pounds.. | 5,677,461 | 466,987 | | | 10,856,516 | 900,296 | | |
| Mutton and lamb ^{9,10}do..... | 60,047 | 5,452 | | | 32,385 | 3,445 | | |
| Pork ^{9,10}do..... | 14,069 | 2,218 | | | 109,832 | 17,332 | | |
| Prepared and preserved meats ^{9,10}do..... | | 41,301 | | 121,583 | | 136,105 | | 128,818 |
| Bacon and ham ^{10,11}pounds.. | 46,013 | 11,051 | | | 70,117 | 15,759 | | |
| All other meats ^{9,10}do..... | | 47,381 | | | | 98,582 | | |
| Sausage and bologna ¹²pounds.. | 31,073 | 8,171 | 32,881 | 8,625 | 70,489 | 18,417 | 71,288 | 18,436 |
| Sausage casings ¹²do..... | | 213,566 | | 203,024 | | 174,506 | | 152,331 |
| Milk and cream, fresh and condensed ¹do..... | | 134,352 | | 78,962 | | 181,656 | | 68,631 |
| Butter and substitutes ¹³pounds.. | 463,399 | 105,975 | 107,046 | 27,088 | 1,069,617 | 234,197 | 169,233 | 42,458 |
| Cheese and substitutes ¹⁴do..... | 5,424,600 | 1,005,884 | 4,950,658 | 949,359 | 6,722,892 | 1,197,566 | 5,492,871 | 1,042,711 |
| Eggs ¹⁵dozen..... | 21,394 | 5,322 | | | 165,263 | 36,500 | | |
| Vegetables: | | | | | | | | |
| Beans ¹⁶bushels.. | 49,020 | 93,226 | 95,538 | 187,148 | 106,918 | 209,470 | 103,693 | 193,957 |
| Onions ¹⁷do..... | 120,487 | 70,800 | 86,361 | 50,048 | 131,475 | 82,480 | 82,183 | 42,424 |
| Peas, dried ¹⁷do..... | 51,887 | 89,367 | 100,000 | 264,649 | 104,692 | 238,753 | 64,730 | 106,464 |
| Potatoes ¹⁸do..... | 472,052 | 202,356 | 9,881 | 4,716 | 734,829 | 346,670 | 10,668 | 4,800 |
| All other, in natural state ¹⁹do..... | | 155,876 | | 137,859 | | 162,353 | | 144,773 |
| Wool, unmanufactured ²⁰pounds.. | 6,915,185 | 1,414,890 | 17,814,218 | 2,989,736 | 8,442,513 | 1,548,970 | 12,291,592 | 2,139,133 |

| Article. | December, 1913. | | December, 1912. | | January, 1914. | | January, 1913. | |
|---|-----------------|-------------|-----------------|-----------|----------------|-------------|----------------|-----------|
| | Quantity. | Value. | Quantity. | Value. | Quantity. | Value. | Quantity. | Value. |
| Cattle ¹number.. | 87,470 | \$1,911,882 | 40,522 | \$610,569 | 90,694 | \$1,503,276 | 24,111 | \$340,841 |
| Horses ²do..... | 4,544 | 215,577 | 568 | 103,114 | 7,239 | 255,635 | 255 | 66,048 |
| Sheep ³do..... | 36,073 | 60,019 | 792 | 9,387 | 15,485 | 29,169 | 95 | 1,141 |
| Animals, other (including live poultry) ⁴do..... | | 126,880 | | 25,621 | | 95,766 | | 17,295 |
| Bread and biscuits ⁵do..... | | 62,619 | | 29,235 | | 17,454 | | 25,454 |
| Corn ⁶bushels.. | 2,343,444 | 1,485,397 | 637 | 415 | 2,554,813 | 1,610,136 | 5,757 | 2,988 |
| Oats ⁶do..... | 5,577,656 | 1,918,985 | 8,984 | 3,069 | 2,859,388 | 1,000,637 | 9,951 | 6,372 |
| Wheat ⁷do..... | 149,304 | 124,782 | 151,616 | 117,579 | 601,130 | 793,024 | 109,437 | 85,739 |
| Hay ⁸tons..... | 14,072 | 129,473 | 12,751 | 111,623 | 15,122 | 143,346 | 13,828 | 119,004 |
| Beef and veal ^{9,10}pounds.. | 15,453,670 | 1,227,037 | | | 12,746,749 | 1,020,137 | | |
| Mutton and lamb ^{9,10}do..... | 441,308 | 34,598 | | | 521,730 | 41,404 | | |
| Pork ^{9,10}do..... | 104,211 | 169,321 | | 163,871 | 172,272 | 270,736 | | 122,532 |
| Prepared and preserved meats ^{9,10}do..... | | 14,989 | | | | 273,817 | | |
| Bacon and ham ^{10,11}pounds.. | 139,242 | 31,170 | | | | 39,553 | | |
| All other meats ^{9,10}do..... | | 137,074 | | | | 10,555 | | |
| Sausage and bologna ¹²pounds.. | 118,451 | 28,064 | 120,694 | 26,248 | 56,680 | 14,067 | 81,650 | 16,791 |
| Sausage casings ¹²do..... | | 211,821 | | 192,558 | | 152,997 | | 198,484 |
| Milk and cream, fresh and condensed ¹do..... | | 112,277 | | 112,857 | | 129,537 | | 47,932 |
| Butter and substitutes ¹³pounds.. | 1,183,152 | 244,321 | 145,949 | 37,655 | 1,839,911 | 447,266 | 47,097 | 15,112 |
| Cheese and substitutes ¹⁴do..... | 6,979,241 | 1,233,453 | 4,571,922 | 852,577 | 3,630,972 | 1,039,956 | 3,688,186 | 703,701 |
| Eggs ¹⁵dozen..... | 1,514,296 | 334,316 | | | 1,184,408 | 236,622 | | |
| Vegetables: | | | | | | | | |
| Beans ¹⁶bushels.. | 217,353 | 395,074 | 121,352 | 219,607 | 187,358 | 331,730 | 70,590 | 141,720 |
| Onions ¹⁷do..... | 136,067 | 89,777 | 23,389 | 14,503 | 29,549 | 22,410 | 27,581 | 16,308 |
| Peas, dried ¹⁷do..... | 179,403 | 419,976 | 107,925 | 172,642 | 125,691 | 268,634 | 93,622 | 160,377 |
| Potatoes ¹⁸do..... | 258,308 | 121,952 | 20,253 | 25,302 | 64,392 | 30,166 | 38,098 | 49,823 |
| All other, in natural state ¹⁹do..... | | 191,858 | | 212,005 | | 187,064 | | 163,249 |
| Wool, unmanufactured ²⁰pounds.. | 21,631,021 | 4,354,612 | 13,975,658 | 2,584,201 | 24,465,640 | 5,219,138 | 19,341,606 | 3,545,669 |

¹ Free on and after Oct. 3, 1913.

² Duty reduced from \$30 per head where value not over \$150, 25 per cent ad valorem where value over \$150 per head, to 10 per cent ad valorem on all.

³ Live poultry reduced from 3 cents per pound to 1 cent per pound; dead from 5 cents per pound to 2 cents per pound.

⁴ Either placed on the free list or duty reduced about one-half.

⁵ Free on and after Oct. 3, 1913. Duty was 15 cents per bushel.

⁶ Duty reduced from 15 cents per bushel to 6 cents per bushel.

⁷ Free if imported from countries which impose no duties on like imports from United States, otherwise 10 cents per bushel. Duty was 25 cents per bushel.

⁸ Duty reduced from \$4 per ton to \$2 per ton.

⁹ Free on and after Oct. 3, 1913. Duty was 25 per cent ad valorem.

¹⁰ Included in all other meat products prior to July 1, 1913.

¹¹ Free on and after Oct. 3, 1913. Duty was 4 cents per pound.

¹² Free under both laws.

¹³ Duty reduced from 6 cents per pound to 2½ cents per pound.

¹⁴ Duty reduced from 6 cents per pound to ad valorem duty equivalent to about 4 cents per pound.

¹⁵ Included in all other articles prior to Oct. 3, 1913.

¹⁶ Duty decreased from 45 cents per bushel to 25 cents per bushel.

¹⁷ Duty decreased from 40 cents per bushel to 20 cents per bushel.

¹⁸ Free if imported from countries which impose no duties on like imports from United States, otherwise 10 per cent ad valorem. Duty was 25 cents per bushel.

¹⁹ Duty reduced from 25 per cent ad valorem to 15 per cent ad valorem.

²⁰ Practically all free of duty since Dec. 1, 1913.

²¹ Total value of meat products, except sausage, bologna, and sausage casings, for October was \$574,390; for November \$1,171,519.

²² Total value of meat products, except sausage, bologna, and sausage casings, for December was \$1,614,199; for January, \$1,406,262.

Imports into the United States of certain farm products for October, November, December, 1912, January, February, March, April, and May, 1913, etc.—Continued.

| Article. | February, 1914. | | February, 1913. | | March, 1914. | | March, 1913. | |
|---|-----------------|-------------|-----------------|-----------|--------------|-------------|--------------|-----------|
| | Quantity. | Value. | Quantity. | Value. | Quantity. | Value. | Quantity. | Value. |
| Cattle ¹number..... | 72,558 | \$1,321,714 | 30,630 | \$472,359 | 53,558 | \$974,887 | 36,105 | \$508,531 |
| Horses ²do..... | 2,890 | 123,988 | 463 | 121,004 | 2,584 | 178,277 | 954 | 187,913 |
| Sheep ³do..... | 871 | 4,919 | 13 | 161 | 13,995 | 25,547 | 782 | 2,440 |
| Animals, other (including live poultry) ⁴do..... | | 57,665 | | 11,720 | | 63,075 | | 14,551 |
| Bread and biscuits ⁵do..... | | 28,861 | | 18,625 | | 51,723 | | 15,684 |
| Corn ⁶bushels..... | 1,341,592 | 739,988 | 507 | 345 | 482,427 | 309,885 | | 1,503 |
| Oats ⁷do..... | 761,214 | 232,305 | 15,764 | 7,942 | 1,611,747 | 615,777 | 2,477 | 6,788 |
| Wheat ⁸do..... | 177,350 | 156,082 | 45,316 | 38,057 | 245,370 | 231,256 | 46,549 | 42,849 |
| Hay ⁹tons..... | 15,923 | 150,006 | 8,176 | 71,483 | 18,404 | 191,818 | 9,506 | 85,412 |
| Beef and veal ¹⁰pounds..... | 15,281,576 | 1,283,760 | | | 23,597,121 | 2,114,102 | | |
| Mutton and lamb ¹⁰do..... | 1,610,866 | 132,043 | | | 2,234,336 | 211,966,523 | | |
| Pork ¹⁰do..... | 267,577 | 30,074 | | | 343,546 | 21,38,438 | | |
| Prepared and preserved meats ¹⁰do..... | | 140,794 | | 97,717 | | 248,413 | | 110,643 |
| Bacon and ham ¹⁰pounds..... | 198,101 | 41,968 | | | 245,855 | 21,47,366 | | |
| All other meats ¹⁰do..... | | 70,391 | | | | 21,69,485 | | |
| Sausage and bologna ¹²pounds..... | 47,200 | 12,683 | 19,231 | 5,951 | 59,304 | 15,766 | 70,719 | 12,437 |
| Sausage casings ¹²do..... | | 253,662 | | 172,805 | | 248,920 | | 235,912 |
| Milk and cream, fresh and condensed ¹pounds..... | | 112,332 | | 21,680 | | 206,859 | | 35,025 |
| Butter and substitutes ¹³pounds..... | 775,276 | 185,412 | 68,992 | 20,691 | 1,142,303 | 243,779 | 108,966 | 30,926 |
| Cheese and substitutes ¹⁴do..... | 4,100,403 | 707,207 | 3,229,156 | 614,221 | 5,439,819 | 953,894 | 3,715,151 | 687,988 |
| Eggs ¹⁵dozen..... | 476,934 | 87,374 | | | 797,893 | 119,925 | | |
| Vegetables: | | | | | | | | |
| Beans ¹⁶bushels..... | 162,665 | 269,531 | 62,718 | 120,871 | 254,480 | 413,842 | 80,849 | 157,630 |
| Onions ¹⁷do..... | 77,008 | 71,653 | 42,763 | 21,339 | 82,459 | 97,042 | 82,656 | 60,207 |
| Peas, dried ¹⁷do..... | 119,909 | 309,075 | 102,121 | 151,361 | 72,523 | 123,994 | 83,863 | 150,833 |
| Potatoes ¹⁸do..... | 10,491 | 5,257 | 12,055 | 12,863 | 26,978 | 9,121 | 28,145 | 34,102 |
| All other in natural state ¹⁹do..... | | 150,737 | | 176,254 | | 221,004 | | 117,240 |
| Wool, unmanufactured ²⁰pounds..... | 31,080,890 | 6,862,284 | 18,356,522 | 3,651,823 | 36,596,612 | 8,002,037 | 22,063,830 | 4,262,694 |

| Article. | April, 1914. | | April, 1913. | | May, 1914. | | May, 1913. | |
|---|--------------|-------------|--------------|-----------|------------|-------------|------------|-------------|
| | Quantity. | Value. | Quantity. | Value. | Quantity. | Value. | Quantity. | Value. |
| Cattle ¹number..... | 65,772 | \$1,333,809 | 47,708 | \$752,151 | 58,647 | \$1,347,084 | 68,607 | \$1,001,551 |
| Horses ²do..... | 2,692 | 161,243 | 740 | 113,070 | 1,629 | 182,914 | 950 | 147,591 |
| Sheep ³do..... | 73,169 | 168,355 | 2 | 60 | 5,834 | 9,814 | 2,769 | 14,230 |
| Animals, other (including live poultry) ⁴do..... | | 43,422 | | 18,230 | | 32,369 | | 21,225 |
| Bread and biscuits ⁵do..... | | 44,928 | | 18,353 | | 39,987 | | 20,245 |
| Corn ⁶bushels..... | 110,063 | 74,445 | 1,366 | 1,232 | 1,308,639 | 812,509 | 2,515 | 2,767 |
| Oats ⁷do..... | 1,494,405 | 545,029 | 17,465 | 7,470 | 1,899,708 | 714,481 | 3,045 | 1,732 |
| Wheat ⁸do..... | 13,294 | 12,369 | 36,368 | 28,872 | 79,967 | 75,783 | 7,616 | 4,693 |
| Hay ⁹tons..... | 10,979 | 117,906 | 9,049 | 78,490 | 14,572 | 160,604 | 12,694 | 137,561 |
| Beef and veal ¹⁰pounds..... | 28,149,824 | 2,478,845 | | | 34,332,510 | 2,942,277 | | |
| Mutton and lamb ¹⁰do..... | 1,684,992 | 145,890 | | | 2,898,987 | 213,237,905 | | |
| Pork ¹⁰do..... | 758,004 | 88,187 | | 103,408 | 712,257 | 576,095 | | |
| Prepared and preserved meats ¹⁰do..... | | 227,965 | | | | 236,680 | | 120,819 |
| Bacon and ham ¹⁰pounds..... | 250,093 | 47,767 | | | 327,696 | 35,856 | | |
| All other meats ¹⁰do..... | | 149,793 | | | | 59,556 | | |
| Sausage and bologna ¹²pounds..... | 65,210 | 17,764 | 75,656 | 20,201 | 43,886 | 10,744 | 40,095 | 10,239 |
| Sausage casings ¹²do..... | | 342,681 | | 246,822 | | 272,530 | | 169,454 |
| Milk and cream, fresh and condensed ¹pounds..... | | 195,475 | | 102,043 | | 307,273 | | 188,785 |
| Butter and substitutes ¹³do..... | 293,531 | 65,512 | 142,664 | 33,800 | 402,931 | 73,700 | 104,434 | 20,205 |
| Cheese and substitutes ¹⁴do..... | 5,506,820 | 929,246 | 3,734,982 | 675,063 | 5,380,288 | 880,027 | 4,289,865 | 734,641 |
| Eggs ¹⁵dozen..... | 883,377 | 129,820 | | | 448,810 | 59,380 | | |
| Vegetables: | | | | | | | | |
| Beans ¹⁶bushels..... | 178,123 | 347,798 | 64,670 | 122,560 | 144,304 | 264,602 | 62,110 | 109,529 |
| Onions ¹⁷do..... | 88,929 | 104,948 | 83,743 | 71,914 | 83,302 | 114,864 | 71,982 | 45,276 |
| Peas, dried ¹⁷do..... | 54,313 | 87,550 | 24,187 | 37,273 | 33,876 | 54,423 | 8,770 | 13,130 |
| Potatoes ¹⁸do..... | 5,041 | 3,237 | 36,545 | 49,188 | 60,892 | 59,635 | 101,769 | 76,742 |
| All other in natural state ¹⁹do..... | | 145,692 | | 89,516 | | 95,265 | | 64,553 |
| Wool, unmanufactured ²⁰pounds..... | 39,024,603 | 8,840,000 | 15,245,601 | 2,843,112 | 30,574,350 | 6,960,289 | 9,696,826 | 1,821,287 |

¹ Free on and after Oct. 3, 1913.
² Duty reduced from \$30 per head where value not over \$150, 25 per cent ad valorem where value over \$150 per head, to 10 per cent ad valorem on all.
³ Live poultry reduced from 3 cents per pound to 1 cent per pound; dead from 5 cents per pound to 2 cents per pound.
⁴ Either placed on the free list or duty reduced about one-half.
⁵ Free on and after Oct. 3, 1913. Duty was 15 cents per bushel.
⁶ Duty reduced from 15 cents per bushel to 6 cents per bushel.
⁷ Free if imported from countries which impose no duties on like imports from United States; otherwise 10 cents per bushel. Duty was 25 cents per bushel.
⁸ Duty reduced from \$4 per ton to \$2 per ton.
⁹ Free on and after Oct. 3, 1913. Duty was 25 per cent ad valorem.
¹⁰ Included in all other meat products prior to July 1, 1913.
¹¹ Free on and after Oct. 3, 1913. Duty was 4 cents per pound.
¹² Free under both laws.
¹³ Duty reduced from 6 cents per pound to 24 cents per pound.
¹⁴ Duty reduced from 6 cents per pound to ad valorem duty equivalent to about 4 cents per pound.
¹⁵ Included in all other articles prior to Oct. 3, 1913.
¹⁶ Duty decreased from 45 cents per bushel to 25 cents per bushel.
¹⁷ Duty decreased from 40 cents per bushel to 20 cents per bushel.
¹⁸ Free if imported from countries which impose no duties on like imports from United States; otherwise 10 per cent ad valorem. Duty was 25 cents per bushel.
¹⁹ Duty reduced from 25 per cent ad valorem to 15 per cent ad valorem.
²⁰ Practically all free of duty since Dec. 1, 1913.
²¹ Total value of meat products, except sausage, bologna, and sausage casings, for February was \$1,699,030; for March, \$2,714,330.
²² Total value of all meat products, except sausage, bologna, and sausage casings, for April was \$3,050,260; for May, \$3,532,274.

Imports into the United States of certain farm products for October, November, December, 1912, January, February, March, April, and May, 1913, etc.—Continued.

| Article. | Total imports for 8 months, October, 1913, to May, 1914, inclusive, under tariff law of 1913. | | Total imports for 8 months, October, 1912, to May, 1913, inclusive, under tariff law of 1909. | | Per cent of increase or decrease, 8 months under 1913 law, compared with 8 months under 1909 law. ²² | Total imports, year ending June 30, 1913, under tariff law of 1909. | | Amount of increase in value for 8 months under new law over full year under old law. | Per cent of increase, 3 months over full year. ²³ |
|---|---|--------------|---|-------------|---|---|-------------|--|--|
| | Quantity. | Value. | Quantity. | Value. | | Quantity. | Value. | | |
| Cattle ¹number.. | 682,456 | \$15,088,442 | 319,137 | \$5,094,211 | 113 | 421,049 | \$6,640,668 | \$8,447,774 | 127 |
| Horses ²do..... | 28,437 | 1,640,046 | 7,108 | 1,301,059 | 300 | 10,008 | 2,125,875 | | |
| Sheep ³do..... | 218,137 | 384,866 | 12,996 | 67,712 | 1,578 | 15,428 | 90,021 | 294,845 | 327 |
| Animals, other (including live poultry) ³do..... | | 562,889 | | 168,099 | 234 | | 248,880 | 314,009 | 126 |
| Bread and biscuits ⁴do..... | | 325,839 | | 190,852 | 70 | | 255,336 | 70,503 | 27 |
| Corn ⁵bushels.. | 10,246,857 | 6,592,743 | 255,609 | 145,616 | 3,908 | 903,062 | 491,079 | 6,101,694 | 1,242 |
| Oats ⁶do..... | 21,951,219 | 7,755,997 | 73,879 | 35,611 | 29,612 | 723,899 | 289,364 | 7,466,633 | 2,589 |
| Wheat ⁷do..... | 1,926,680 | 1,713,790 | 451,302 | 349,441 | 327 | 797,528 | 559,559 | 1,154,231 | 206 |
| Hay ⁸tons..... | 124,517 | 1,191,856 | 94,048 | 847,826 | 32 | 155,763 | 1,514,311 | 77,545 | |
| Beef and veal ^{9,10}pounds.. | 146,125,427 | 12,433,441 | | | | 4,288,764 | 322,567 | 12,110,874 | 3,751 |
| Mutton and lamb ^{9,10}do..... | 9,484,655 | 797,320 | | | | 212,843 | 797,320 | 780,914 | 4,766 |
| Pork ^{9,10}do..... | 2,482,298 | 287,401 | | | | 261,247 | 38,682 | 248,719 | 635 |
| Prepared and preserved meats ^{9,10}do..... | | 1,475,072 | | 978,451 | 1,527 | | 426,788 | 1,048,284 | 243 |
| Bacon and ham ^{9,10}pounds.. | 1,470,706 | 290,490 | | | | 628,307 | 156,933 | 133,457 | 85 |
| All other meats ^{9,10}do..... | | 642,817 | | | | | 297,581 | 345,236 | 116 |
| Sausage and bologna ¹²pounds.. | 492,293 | 125,676 | 512,214 | 118,928 | 3 | 728,460 | 157,871 | | |
| Sausage casings ¹²do..... | | 1,870,083 | | 1,571,390 | 19 | | 2,476,082 | | |
| Milk and cream, fresh and condensed ¹³do..... | | 1,379,761 | | 664,915 | 107 | | 1,203,833 | 165,928 | 13 |
| Butter and substitutes ¹³pounds.. | 7,189,120 | 1,600,162 | 895,231 | 233,995 | 703 | 1,162,253 | 304,090 | 1,296,072 | 426 |
| Cheese and substitutes ¹⁴do..... | 43,085,035 | 7,947,313 | 33,672,791 | 6,260,261 | 27 | 49,387,944 | 9,185,184 | | |
| Eggs ¹⁵dozen..... | 5,492,575 | 1,009,259 | 847,842 | 127,808 | 547 | 1,271,705 | 191,714 | 817,545 | 419 |
| Vegetables: | | | | | | | | | |
| Beans ¹⁶bushels.. | 1,310,221 | 2,325,273 | 641,490 | 1,253,030 | 104 | 1,048,297 | 1,338,105 | 287,168 | 19 |
| Onions ¹⁷do..... | 749,274 | 654,844 | 500,618 | 322,019 | 49 | 783,458 | 481,756 | 173,068 | 35 |
| Peas, dried ¹⁷do..... | 742,284 | 1,591,772 | 645,278 | 1,056,729 | 30 | 1,134,346 | 1,835,775 | | |
| Potatoes ¹⁸do..... | 1,632,983 | 778,403 | 258,014 | 257,536 | 532 | 327,230 | 303,214 | 475,189 | 156 |
| All other in natural state ¹⁹do..... | | 1,807,849 | | 1,135,440 | 15 | | 1,410,354 | | |
| Wool, unmanufactured ^{20,21}pounds.. | 198,730,814 | 43,202,720 | 128,785,853 | 23,837,645 | 54 | 195,293,255 | 35,579,823 | 7,622,897 | 21 |
| Total..... | | 114,975,224 | | 40,128,674 | 149 | | 69,322,885 | | 65 |

¹ Free on and after Oct. 3, 1913.
² Duty reduced from \$30 per head where value not over \$150, 25 per cent ad valorem where value over \$150 per head, to 10 per cent ad valorem on all.
³ Live poultry reduced from 3 cents per pound to 1 cent per pound; dead from 5 cents per pound to 2 cents per pound.
⁴ Either placed on the free list or duty reduced about one-half.
⁵ Free on and after Oct. 3, 1913. Duty was 15 cents per bushel.
⁶ Duty reduced from 15 cents per bushel to 6 cents per bushel.
⁷ Free if imported from countries which impose no duties on like imports from United States; otherwise 10 cents per bushel. Duty was 25 cents per bushel.
⁸ Duty reduced from \$4 per ton to \$2 per ton.
⁹ Free on and after Oct. 3, 1913. Duty was 25 per cent ad valorem.
¹⁰ Included in all other meat products prior to July 1, 1913.
¹¹ Free on and after Oct. 3, 1913. Duty was 4 cents per pound.
¹² Free under both laws.
¹³ Duty reduced from 6 cents per pound to 2 cents per pound.
¹⁴ Duty reduced from 6 cents per pound to ad valorem duty equivalent to about 4 cents per pound.
¹⁵ Included in all other articles prior to Oct. 3, 1913.
¹⁶ Duty decreased from 45 cents per bushel to 25 cents per bushel.
¹⁷ Duty decreased from 40 cents per bushel to 20 cents per bushel.
¹⁸ Free if imported from countries which impose no duties on like imports from United States; otherwise 10 per cent ad valorem. Duty was 25 cents per bushel.
¹⁹ Duty reduced from 25 per cent ad valorem to 15 per cent ad valorem.
²⁰ Practically all free of duty since Dec. 1, 1913.
²¹ Per cent of increase of wool for six months under new law over same period of last year under old law, 85 per cent.
²² Per cent of increase figured on quantities, where quantities are given; otherwise on values.
²³ Per cents of increase figured on values.
²⁴ Total value of all meat products, except sausage, bologna, and bologna casings, for eight months, \$15,926,541.
²⁵ No figures for months under old law. Quantity and value figured as two-thirds of year.

Recent figures submitted by the Secretary of Commerce show that the increase in importations of finished products was only 8.8 per cent under the new law, while the increase of the farm products mentioned in the above table increased 149 per cent, there being a very large increase in case of each article.

It will be noted that on the several articles mentioned there was a collective increase in value of imports of \$70,427,186, all thrown on the market of the United States in competition with our own products. That tremendous amount came largely from the cheap lands, produced by cheap labor, and carried by cheap transportation from Australia, Argentina, Canada, and Mexico.

Verily, the prophecy of the Ways and Means Committee, "In our judgment the future growth of our great industries lies beyond the seas," is coming true. Agriculture is our greatest industry.

It will be recalled that of the additions to the free list made in the Underwood tariff bill nearly 80 per cent in point of value of products so affected were farm products.

There was no party platform warranting this discrimination against the farmer. Both the Republican and Progressive platforms declared in favor of protection being extended to the farmer the same as to the other industries, while the Democratic platform favored reduction, but did not promise or threaten to place farm products on the free list.

An examination of the import and revenue statistics for the period beginning with 1897 and ending with 1912 showed some remarkable facts, all of which indicated that Schedule G was

the one schedule which seemed to combine the desirable qualities of a revenue producer, a competitive tariff, and a protective tariff, as the following facts will demonstrate:

First. Schedule G, containing many articles not in the foregoing table, in 1897, in point of view of dutiable imports, ranked No. 5, while in 1912 it was first.

Second. Schedule G as a revenue producer among the schedules in 1897 ranked ninth, while in 1912 it had risen to third.

Third. Schedule G in 1897 showed dutiable importations of only \$33,716,958; in 1912 it had risen to \$117,711,156; and Schedule G in 1897 produced only \$8,613,987 revenue, increased in 1912 to \$34,146,071.

Fourth. While Schedule G in 1897 had but 8 per cent of all the dutiable importations, in 1912 it had risen to 14 per cent.

Fifth. That while Schedule G in 1897 produced only 5 per cent of the import revenues, in 1912 it produced 11 per cent.

Sixth. It will be noted that while the revenues of Schedule G in 1897 were less than those of Schedule C (metals), in 1912 they were twice as great. While the revenues from Schedule G in 1897 were less than one-half those of Schedule F (tobacco), it in 1912 exceeded Schedule F by nearly \$9,000,000. While approximately equal to Schedule H (spirits) in 1897, Schedule G in 1912 doubled it in revenue production. While Schedule G was less than Schedule I (cotton) in 1912 it produced three times Schedule I's revenue. That Schedule G in 1912 produced more revenue than Schedule I (cotton manufactures), Schedule K (wool, raw wool amounting to \$14,000,000 eliminated), and Schedule D (lumber) combined.

Seventh. The dutiable importations of Schedule G have increased more between 1897 and 1912 than any other schedule, and Schedule G has increased as a revenue producer more rapidly than any of the other great schedules. Its percentage of increase in that period was 206 per cent.

The American farmer is asking the following questions:

Is the tariff important?

The Democratic Party answers: "Yes; it was important enough for us to make it our paramount issue in the last campaign, and we also gave it first place in our legislative program."

What was the large feature of the new tariff bill?

Removal and reduction of duties.

Did this cause large loss of revenues to the United States Treasury?

Answer. Yes.

Why, then, was it done?

To increase the competition of foreign articles in our own markets.

Why was that done?

In order to lower prices.

Against whom has there been a removal or reduction of duties to the greatest extent?

The farmers.

What class has been subjected to the greatest new competition?

The farmers.

To what extent has the farmer's competition with foreign productions increased?

On 27 leading farm products, 159 per cent.

What has been the increase in importations of manufactured or finished products?

Eight and eight-tenths per cent.

The farmer's competition has increased, therefore, as compared with the manufacturer's, in the ratio of 149 to 8½ per cent, a little more than 16 to 1, the old sacred ratio.

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

The CHAIRMAN. Does the gentleman from Nebraska yield to the gentleman from Ohio?

Mr. SLOAN. I do.

Mr. FESS. The Secretary of Commerce states that we have an increase of importation and a decrease of exportation, which means that the country is consuming more than ever before. In other words, increase of importation and decrease of exportation is argued as an advantage to the country, because we are more prosperous and are consuming more than ever before. What is your answer to that?

Mr. SLOAN. I would dislike to answer the proposition presented by the head of the Department of Commerce, who recently, in an interview, stated that this country was greatly interested in the matter of overfatigue. If they have accomplished anything by this new tariff legislation it is overcoming the overfatigue of the American workingmen, many of whom have been released from their employment, with the prospect of many more of them being released.

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

Mr. SLOAN. If I have the time.

Mr. FESS. Is the Nation on the road to increased wealth by selling less and buying more?

Mr. SLOAN. The answer to that is self-evident. If we purchase more than we sell, of course we are drawing on our reserve. [Applause.]

Mr. STEVENS of Minnesota. I promised to yield 40 minutes to the gentleman from Washington [Mr. BRYAN]. He stated he had some documents on the subject of the legislation before the committee that he desired to submit, but he does not seem to be here.

Mr. ADAMSON. Has the gentleman any other speaker? I have a great many applications, but nobody seems to be here now.

Mr. DONOVAN. Mr. Chairman, will the gentleman from Georgia yield to me?

Mr. ADAMSON. Do you want to make a speech for the bill?

Mr. DONOVAN. I do not want the gentleman to dictate.

Mr. ADAMSON. He can make one against the bill if he wants to do so.

Mr. DONOVAN. Does the gentleman yield to me?

Mr. ADAMSON. How much time do you want?

Mr. DONOVAN. Oh, I do not know. Say two minutes.

Mr. ADAMSON. Do not move to rise.

Mr. DONOVAN. I certainly will.

The CHAIRMAN. Does the gentleman from Georgia [Mr. ADAMSON] yield to the gentleman from Connecticut [Mr. DONOVAN]?

Mr. ADAMSON. I yield to the gentleman from Connecticut for a speech, but not to make a motion.

Mr. DONOVAN. It will be a speech, Mr. Chairman.

The CHAIRMAN. Does the gentleman from Georgia yield to the gentleman from Connecticut?

Mr. ADAMSON. I wish the gentleman would wait for the gentleman from Washington [Mr. BRYAN].

The CHAIRMAN. Will the gentleman from Georgia yield to the gentleman from Connecticut?

Mr. ADAMSON. I intended to do so until Mr. BRYAN appeared. If the gentleman wants to speak for two minutes I will yield to him for that purpose.

The CHAIRMAN. The gentleman from Connecticut [Mr. DONOVAN] is recognized for two minutes.

Mr. DONOVAN. Then, I move that the committee do now rise.

Mr. ADAMSON. I did not yield for that purpose.

The CHAIRMAN. The gentleman from Georgia [Mr. ADAMSON] can not control the gentleman from Connecticut.

Mr. ADAMSON. Then, I cancel that concession.

Mr. DONOVAN. I so move, Mr. Chairman.

The CHAIRMAN. The gentleman from Connecticut moves that the committee do now rise.

The question was taken, and the motion was rejected.

Mr. STEVENS of Minnesota. Mr. Speaker, I yield 40 minutes to the gentleman from Washington [Mr. BRYAN].

RATE REGULATION.

Mr. BRYAN. Mr. Speaker, this bill does provide, in words, for rate regulation; but by cutting out the charge provisions of the 1910 act, and by failing to add appropriate provisions for charge to be paid to the public, this rate regulation becomes a farce.

The rate must be uniform for electric energy in a given locality, however produced. The people own a power that can produce energy, say, at \$1 per unit, whatever unit you may use. The cheapest competitor to this power is steam, which costs, say, \$3 per unit. This great difference in cost makes the water power very valuable to the public. If the public can utilize it, a saving of \$2 per unit will be realized; but if you give away the right in a monopolistic grant to generate this power, and the individual who acquires the grant, the grantee, fixes the price of the product at \$2.90—just low enough to compete with steam—the result is that the public part with a \$2 value for 10 cents. Is that just? By what token or right does this grantee get all of this \$1.90 of profit? No regulation on earth can reach him, for if the utilities commission fixes a rate less than \$3 those depending on steam will be forced out of business and their plants and factories confiscated. The Constitution will protect them against this. The only way to prevent this injustice is to take up a part of this slack or profit in the form of a charge and return it to the Public Treasury, where it will reach the pockets of those who own the stream and the water that flows down its bed, by reducing their taxes and the burdens of government that rest upon them or by eliminating river and harbor pork.

The Keokuk Dam, at Keokuk, Iowa, illustrates the point. It is said to cost about \$10 per horsepower there to generate electricity, which they sell for \$20, which just undersells those who produce electricity by steam. Why should the public lose this \$10—all of it—to these dam owners and operators? There should be a charge, and a substantial charge, too. Ex-Secretary Fisher has stated this proposition very clearly. I will quote from him later.

I can not understand why the gentleman from Georgia [Mr. ADAMSON], in his colloquy with the gentleman from Minnesota [Mr. SMITH], should take the position that the Government is without power in these matters. The Chandler-Dunbar decision has been quoted, and has been considered and debated time and time again. In the Senate Senators ROOR and BURTON and President Taft have talked about it, and, plainly interpreting it, set forth the fact that it gave to the people of this Nation these rights and these powers over these streams. Then Secretary STIMSON, former Secretary of War, and Mr. FISHER, former Secretary of the Interior, and the ex-Chief Forester, Gifford PINCHOT, have all discussed the matter in the hearings and other places, and they all agree that this decision did give to the Government, or rather did confirm in the Federal Government, its right and power over these streams. The very fact that it has a right to say that a dam shall go there gives to it the right to say under what conditions it shall go. If it has the right to say, "No; you can not build a dam in this stream; you can not obstruct this stream," then it has the right to name the conditions. The one goes with the other. Before the committee, when Secretary Fisher was there setting forth his views on this decision, no one successfully contradicted him. They

raised some questions there. The members of the committee were all present, but it would have been ridiculous and ludicrous to question the position that he took, and anyone who will read the hearings will see that this decision does give the Federal Government the power. It has always had that power over these navigable streams, and we are not going to give it away, at least not with my consent, without exercising that right to establish conditions and restrictions.

THE ELECTRICAL FURNACE—ALUMINUM.

The argument of the gentleman from Alabama as to aluminum was very interesting, but he did not mention the fact that the aluminum goods are made by a trust and that all concessions made to the French aluminum company on the Yadkin River, in North Carolina, or to the American manufacturers on the Little Tennessee will merely increase the profits of this trust; that they will pocket all we give them and that the consumer would not be profited a penny unless we made a charge for what the public gives to them, with real regulation. Is it not more than probable that these French capitalists looked more kindly on the lax laws of North Carolina and the Little Tennessee and concluded that they could make more money by the use of child labor and 10 and 12 hours' work per day for the men and low wages than in one of the States that has changed those laws? Of course corporations seek privileges and profits, but the time has not yet arrived when I will vote to give the Aluminum Trust any special privileges. This company of gentlemen got in North Carolina free what they could not buy in their own country.

[From the Washington Post, January 15, 1913.]

ADMITS WORLD TRUST—ALUMINUM MAGNATE SAYS THAT AGREEMENT CONTROLS TRADE—HOME OFFICE IN AMERICA—ARTHUR V. DAVIS DECLARES HIS COMPANY OWNS CANADIAN FACTORY, WHICH HAS "UNDERSTANDING" WITH OTHER NATIONS—UNITED STATES EXCEPTED BECAUSE OF THE SHERMAN LAW.

The existence of an international agreement covering the aluminum industry was revealed at last night's session of the House Committee on Ways and Means. President Arthur V. Davis, of the Aluminum Co. of America, admitted that his company, the only aluminum manufacturer in the United States, owned the Canadian Aluminum Co., which, in turn, had perfect agreements with all the six or seven foreign aluminum companies.

This agreement, he said, covers all the world except the United States, which, he admitted to Representative RAINEY, of Illinois, was excepted because there is a law here prohibiting it.

WANTS NO TARIFF CHANGE.

Arthur V. Davis, of Pittsburgh, testified that the company's total surplus is \$12,000,000, and that the company is capitalized at \$30,000,000, on which it is issuing dividends of 4 per cent on the capital stock. It has been earning between 15 and 17 per cent annually in 1910, 1911, and 1912.

Representative PALMER, of Pennsylvania, brought out that of the \$30,000,000 of capital the total amount of cash actually put in was \$1,860,000, the remainder representing earned profits. Mr. Davis protested against any threatened reduction of the tariff on aluminum. He said that the company was originally started as the Pittsburgh Reduction Co. in 1888, with \$20,000 capital, which gradually evolved, with the use of patents whose value was put down as \$700,000, into the \$30,000,000 corporation.

ADMISSION AMAZES MEMBERS.

The admission of this agreement amazed members of the committee, some of whom pointed out that along with previous testimony regarding foreign trusts in other industries it presented a problem never before faced by a tariff-making committee.

Mr. Davis testified that he and his London representative wrote the agreement made by his Canadian plant with all the plants in Europe. "I submitted the proposed form of the agreement," he said, "to Attorney General Wickersham, and when the agreement was signed I sent Mr. Wickersham a copy of it."

ACTION NOT DISCUSSED.

Mr. Davis did not say what action the Attorney General took in the matter.

"But Mr. Wickersham had no cognizance of this agreement between Canada and the rest of the world, except United States," interrupted Representative PALMER.

Mr. Davis was asked if he had a copy of the agreement. He said he had not, and said, while he personally would have no objection to filing it, he feared the other parties to it might object.

When the committee adjourned at midnight members expressed the suspicion that the Aluminum Co. of America might be interested in the \$10,000,000 company being organized in North Carolina, in view of the agreement with European plants.

RAILROADS FAVOR IMPORTER.

Discussing freight rates as a factor to be considered in making a tariff, A. Cressy Morrison, of New York, representing the electric furnace manufacturing industry, told the committee that the transportation cost of heavy commodities, instead of being a protection to the domestic manufacturer, is really to his disadvantage.

The railroads grant lower rates to the foreigner on imported merchandise than they allow to the citizen of the United States.

Mr. Morrison said that with the opening of the Panama Canal the inland manufacturer of most commodities would be at a further distinct freight disadvantage with practically one-half the total population of the United States, which is his natural market.

Walter Laddlaw, of New York City, who said he represented about a dozen manufacturers of pumping machinery, but later admitted he represented the so-called Pump Trust, testified at the night session that the International Pumping Co. owned all the manufacturing he mentioned.

He said the International Pumping Co. had net earnings of \$1,250,000 on its aggregate investment of \$25,000,000, or a 5 per cent

return on its capital invested. He could not recall the amount of its capital stock when pressed by Representative PALMER, of Pennsylvania, though he said he was a member of the executive committee.

The products of aluminum, the vessels made from aluminum, are manufactured by one of the closest and strictest trusts that there is in existence, and if we give them the rivers to make cheaper power and reserve no rights as to charges and regulation, it is plain, in my opinion, that it only increases the profits, that we only make for them more money, and take from the people that valuable possession that the people have in these streams.

In the Washington Herald of to-day there appears an article entitled "Water as a Resource."

The power of this water and the extent and value of water power in this country are particularly set forth and detailed in this article; but the very fact of this great power, the very fact of the great value of this utility are the reasons why we are particular about the conditions on which we part with them.

ELECTRICAL STEEL.

The illuminating statements as to electrical steel produced and to be produced in the electrical furnace were to me the most interesting portion of the able address of the gentleman from Alabama—electrical steel for steel rails, affecting greatly the safety of passengers and the economy of transportation; electrical steel for tools, for locomotive tires and axles, high-grade castings for automobile parts, and other products calling for steel of high quality. All of these things impress upon me more and more why the water-power combinations are so active and why they are working so hard to take from the people this tremendous asset.

The future of electrical steel, the uses to which high-grade steel will be put, which, it is stated, can be manufactured more economically by electricity than in any other way, only open up a vista that impresses the imagination of the people as to the future value of this asset that we are asked to part with. The United States Steel Trust is the principal manufacturer of electrical steel at this time. They are experimenting with it, and they have spent something like \$300,000 to get at the science and facts in relation to the manufacture of electrical steel.

Now, then, if we give the Steel Trust a river and say, "Here, take this river, build dams in it for water power and manufacture electrical steel; take this stream and manufacture it," where do the people get any advantage of it, unless you retain hold of it in some way and lay a restraining hand upon it, so as to regulate the price of the steel or charge them for the use of the stream?

FERTILIZER AND CYANAMID PLANT.

Then we have the manufacture of fertilizer and the cyanamid plants. But in this field it is apparent that no reduction will come to the farmers if we do not compel a reduction. The possibility of increasing profits of the Fertilizer Trust does not stir me to action. I can not enthuse over the suggestion that we ought to give to this organization of interlocked capitalists the water power of the country. I want to hold this very power as a potent means of regulating the producers of fertilizer. I want to increase the charge as their profit increases. These men prate much about their patriotism, their love of the flag. Let them trust Uncle Sam to be true. They will not be wronged. Capital is timid, they say. That is not the way to put it. It is this way: Capital wants all it can get. Tell it just where its bounds are and it will not be shy at all.

We tried giving them the coal lands of Alabama and all of the South, of the East and the Central States, and much of the West, but now we refuse to part with any more mineral land for the mere asking. How did shy capital treat the people in the handling of the coal? See them shooting down innocents in glee at Mucklow, in West Virginia, and at Ludlow, in Colorado. Not so shy there. Have they reduced the price of coal to the people by letting them have the coal mines without any regulation or restraint? No; the railroads own the coal, and the railroad group own the water power, too.

But another word about West Virginia. Somebody may say I spoke too cruelly or from prejudice or something else. Here are a few lines from the dignified report of two United States Senators appointed to investigate that situation:

So that in investigating the seventh division of the resolution the committee has been led to the belief that the private ownership of these great properties, with the attendant human greed, is the underlying cause of the conditions, such as the record shows existed in the Paint and Cabin Creek coal fields.

Give them the water power free, eh? Well, I guess we will not do any such thing, and the men who try to do it are going to be censured by the American people, and they will be rightly censured.

The gentleman from Alabama [Mr. UNDERWOOD] said in his speech:

The gentlemen who are obstructing legislation of this kind upon the ground that they are conservationists I regret to say, in my judgment, are obstructionists against the best interests of the people of the United States.

We are obstructing, if obstructing at all, and I hope we are in the interest of the people, of agriculture, of industry, and are promoting the well-being of the people of this country. The gentleman from Alabama also said:

And I wish to say, in passing, that gentlemen who expect to make political capital for themselves by throwing obstructions in the way of honest legislation to develop the great water power of this country, when these facts become known to the agricultural classes of this country, will have a day of reckoning at their own homes.

By the term "who expect to make political capital for themselves" the gentleman evidently has the idea that, for the present at least, it is popular, or that we think it popular, to oppose such legislation as this. And it is popular in my State. The people in every little town and at every crossroad have heard about how it will ruin the country and destroy all industry to refuse to give away the franchises and the public rights. But they have learned to call the men who preach that doctrine reactionaries, adherents of the cause of greed, ballot-box stuffers, bosses, convention thieves, and they refuse to follow their teachings any more. They think for themselves. They bend every energy to own their own franchises. They are proud of the Government forest reserves. They own an interest in them, and they look with contempt upon those who gave the vast timber areas away to the Weyerhaeusers and the railroads. You can not get them to applaud when you moan about the Government timber tied up. They do not grieve about the Alaska coal that was reserved. They do not curse Pinchot; they hail him a hero. They do not damn the man who is the author of the new light and is the genius of present-day conservation and progress; they vote for him for President by 50,000 majority.

If these franchise seekers are not satisfied with a 50-year permit, with the understanding that we will pay them the cost of the dam and the value of their other structures at the end of the time, let them go to Canada. We can take care of ourselves in this country.

I do not want to be caustic or personal in my remarks. I highly respect the gentleman from Alabama, both for his ability and his affable and kindly disposition, but I do believe there is one part of his remarks he had better have left unsaid.

Here is what I refer to:

In the arid regions of the West it is water, not land, which measures agricultural production. In the cotton fields of the South it is fertilizer, not land, that measures production.

An examination of the summary of appropriations made by Congress for western land irrigation and reclamation discloses the following:

| | |
|--|---------------|
| Early irrigation surveys..... | \$350,000.00 |
| Reclamation fund..... | 79,450,438.53 |
| Authorized bond issue..... | 20,000,000.00 |
| Expended by Geological Survey..... | 4,500,000.00 |
| Expended by Department of Agriculture..... | 956,000.00 |
| Expended by or through Office of Indian Affairs..... | 10,797,316.29 |

Total..... 116,003,754.82

These contributions of the Federal Government by these appropriations in aid of the reclamation of the arid lands of the West are most wisely made, for Congress can make no appropriations and pass no laws so useful to the country as those appropriations and laws which contribute to the increase of our food crops.

What appropriations has Congress made, what encouragement has the Government given to the increased production and cheaper production of fertilizers, so indispensably necessary to the food crops of the farmers of this country from Massachusetts to California and from Maine to Texas? The agricultural fertilizer bill in the United States during the single year 1909 amounted to \$114,882,541, and the fertilizer bill for 1909 of the 11 Southern States—North Carolina, South Carolina, Georgia, Florida, Kentucky, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, and Texas—was alone \$63,992,626.

Is it sound, is it sane, that out of the Federal Treasury the enormous expenditures of public funds for the reclamation of the arid lands of the West be continued—and they should be—and Congress refuse to pass constructive dam legislation that will invite and protect private capital, to be invested at its sole expense in the construction of dams for the joint improvement of navigation and development of power in the navigable streams of the country, which power will be largely employed in the manufacture of fertilizers which are just as necessary to increase the food crops and cotton crops, especially of the Southern States, as water is necessary to the production of food crops on the arid lands of the West?

Let the gentleman first of all bear in mind that the water power of the West is in the hands of the Government and is administered under the strictest rules by the departments in control. The gentleman knows the provisions of the Lane-Ferris bill—not a part of our water power but practically all of it. And we have water power out there—very much more of it than there is in the South and East. We are getting permits for our municipalities, lighting our cities, heating and lighting our homes, running our industries, not at 12 cents per kilowatt hour, the preposterous and outrageous price named by

the gentleman from Alabama [Mr. BURNETT], in his interruption of his colleague, as the rate at which his people are fleeced in Alabama, but at from 3 cents to 8 cents. The Puget Sound Navy Yard has a contract for electric current at 1½ cents per kilowatt hour. The Government is not asked by the people of the West to give their water power to the New York bankers and brokers, and there would be almost a revolution if any such procedure were attempted. We want the Government to continue to administer it, and to reserve it when it is right to reserve it.

But of this \$116,003,754.82 bill of particulars that the gentleman presented, \$99,450,438.53 was for reclamation, every cent of which the Government still owns as an investment, and \$5,506,000 for surveys and by the Department of Agriculture. It takes some self-possession for a Member of this House to attempt to chide the men of the West with the statement "Look what we spent to survey your lands out West, and then the rest of the bill you spent on the Indians."

That is a big bill—\$116,000,000. Why do you not complain some about the 260,000,000 acres of land that Congress gave away to the railroads and then \$5,000,000,000 worth of timber that passed into private hands on the very kind of a flimflam by which it is now sought to give the water power to Canadian fertilizer makers and the French Aluminum Trust, and others? Oh, that \$116,000,000 is a mere bagatelle. You spent that legitimately. You squandered the billions.

If the gentleman from Alabama wants fertilizer for the farmers in the South, let him come in here with a proposition to build a dam on any Government stream and establish a plant that will furnish the fertilizer to farmers at cost. He will have no trouble getting a waiver of cost from the Government for power in such a case. That is what we proposed and carried through with the valuable assistance of the gentleman from Alabama in Alaska. We wanted transportation at low prices, and we will have a Government railroad to do the job at cost.

But with all your squandering of the resources of the Government in the West and in Alaska, still there is where the public treasure is. What does the Government own in the South and East except the water power which these gentlemen are so anxious to unload? The Government owns a billion dollars worth of timber in the Western States. But that is only a suggestion of all the tremendous and inestimable wealth of mine and land and water power in the West and in Alaska. Our slogan is "Develop"; yours, "Give it away." Which is the better policy for the people?

My opinion is that the gentlemen who vote for this bill are the ones who will have to render account in the days to come.

Why has the chairman of this great committee introduced and brought forward as an emergency measure this particular bill? Did the gentleman believe the present law insufficient or inadequate to safeguard the public interest and did he desire more stringent regulation? Not at all. He stated in his speech the other day that the law was already too drastic to be effective, and he deplored the fact that but few of the permits granted under that law were put into operation.

THE NEW LIGHT.

The gentleman from Georgia [Mr. ADAMSON] referred in disparaging terms to a new light which had interfered with the operations of certain men who have heretofore received grants from Congress for dam sites for water power, and he plainly intimated that the same new light was still in the way. The new light first appeared on April 13, 1908, when President Roosevelt demanded the attention of Congress with his veto message on the bill for construction of a dam across Rainy River. (See CONGRESSIONAL RECORD, vol. 42, pt. 5, p. 4698.)

The new light was composed of five rays, summarized by the President as follows:

First. There should be a limited or carefully guarded grant in the nature of an option or opportunity afforded within reasonable time for development of plans and for execution of the project.

Second. Such a grant or concession should be accompanied in the act making the grant by a provision expressly making it the duty of the designated official to annul the grant if the work is not begun or plans are not carried out in accordance with the authority granted.

Third. It should also be the duty of some designated official to see to it that in approving the plans the maximum development of the navigation and power is assured, or at least that in making the plans these may not be so developed as ultimately to interfere with the better utilization of the water or complete development of the power.

Fourth. There should be a license fee or charge which, though small or nominal at the outset, can in the future be adjusted so as to secure a control in the interest of the public.

Fifth. Provision should be made for the termination of the grant or privilege at a definite time, leaving to future generations the power or authority to renew or extend the concession in accordance with the conditions which may prevail at that time.

On April 13—one month later—the new light was again flashed in the faces of certain gentlemen by the President in the form of

a letter to the Senate Committee on Commerce, the body of which letter is as follows:

Numerous bills granting water rights in conformity with the general act of June 21, 1906, have been introduced during the present session of Congress, and some of these have already passed. While the general act authorizes the limitation and restriction of water rights in the public interest, and would seem to warrant making a reasonable charge for the benefits conferred, those bills which have come to my attention do not seem to guard the public interests adequately in these respects. The effect of granting privileges such as are conferred by these bills, as said in a recent message, "taken together with rights already acquired under State laws, would be to give away properties of enormous value. Through lack of foresight we have formed the habit of granting without compensation extremely valuable rights, amounting to monopolies, on navigable streams and on the public domain. The repurchase at great expense of water rights thus carelessly given away without return has already begun in the East, and before long will be necessary in the West also. No rights granting water power should be granted to any corporation in perpetuity, but only for a length of time sufficient to allow them to conduct their business profitably. A reasonable charge should, of course, be made for valuable rights and privileges which they obtain from the National Government. The values for which this charge is made will ultimately, through the natural growth and orderly development of our population and industries, reach enormous amounts. A fair share of the increase should be safeguarded for the benefit of the people, from whose labor it springs. The proceeds thus secured, after the cost of administration and improvement has been met, should naturally be devoted to the development of our inland waterways." Accordingly I have decided to sign no bills hereafter which do not provide specifically for the right to fix and make a charge and for a definite limitation in time of the rights conferred.

On January 15, 1909, President Roosevelt vetoed House bill 17707, to authorize William H. Standish to construct a dam across James River in Stone County, Mo. The five rays of the new light were not only flashed but were focused and burnt into the eyes of some Members of Congress who, having eyes to see, see not. To make sure, a sixth ray was added, as follows:

Sixth. The license should be forfeited upon proof that the licensee has joined in any conspiracy or unlawful combination in restraint of trade, as is provided for grants of coal land in Alaska by the act of May 28, 1908.

The President further stated in his veto message:

To give away without conditions this, one of the greatest of our resources, would be an act of folly. If we are guilty of it, our children will be forced to pay an annual return upon a capitalization based upon the highest prices which "the traffic will bear." They will find themselves face to face with powerful interests entrenched behind the doctrine of "vested rights" and strengthened by every device which money can buy and the ingenuity of able corporation lawyers can devise. Long before that time they may, and very probably will, have become a consolidated interest, controlled from the great financial centers, dictating the terms upon which the citizen can conduct his business or earn his livelihood, and not amenable to the wholesome check of local opinion.

THE NEW LIGHT WORE GLASSES AND HAD BIG TEETH.

I will sign no bill granting a privilege of this character which does not contain the substance of these conditions. I consider myself bound, as far as exercise of my Executive power will allow, to do for the people, in prevention of monopoly of their resources, what I believe they would do for themselves if they were in a position to act. Accordingly I shall insist upon the conditions mentioned above not only in acts which I sign, but also in passing upon plans for use of water power presented to the executive departments for action. The imposition of conditions has received the sanction of Congress in the general act of 1906, regulating the construction of dams in navigable waters, which authorizes the imposing of "such conditions and stipulations as the Chief of Engineers and the Secretary of War may deem necessary to protect the present and future interests of the United States."

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

Mr. BRYAN. Mr. Chairman, I would like to get through with this new-light proposition.

Mr. ADAMSON. Mr. Chairman, I think we had better rise. We have heard that a thousand times.

Mr. BRYAN. The gentleman will hear it a thousand times more; it is right, and it will not down.

Mr. ADAMSON. The line of talk that we have just heard has been familiar to us for 15 years, and it is due not, in my judgment to dishonesty, but to ignorance.

Mr. BRYAN. I suppose the gentleman refers to that which I have just read from President Roosevelt. That is a new term to apply to him.

Mr. ADAMSON. After he wrote that letter he and his advisers agreed with Mr. STEVENS and his subcommittee for the amendment of 1910, and then they went back on the amendment after it was made.

Mr. BRYAN. The gentleman from Minnesota [Mr. STEVENS] says it is unconstitutional. I wish I had more time on that, Mr. Chairman, but I will avail myself of the privilege of extending in the RECORD.

The gentleman blames President Roosevelt for the trouble that the franchise getters incurred while Roosevelt was in Africa and on all other subsequent events. Surely there is some truth in that, for a good authority, which I will cite presently, said the new light of Theodore Roosevelt had "awakened the American conscience."

The act of 1910, which is the present general dam act, is evidently objectionable to the gentleman from Minnesota [Mr.

STEVENS]. That gentleman gives the following as a portion of a "strictly accurate" statement of a promise made to President Roosevelt to "violate the Constitution" by agreeing—

That a supplemental act should be passed to the existing law that should extend the powers of Congress beyond those we got under the Constitution. It was that promise we kept in framing the act of 1910.

HIS PICTURE TO THE WALL, BUT—A CABINET ROW.

Matters proceeded smoothly for a season, and President Taft went on signing grants under Mr. STEVENS's "unconstitutional act of 1910"; but "the new light" again penetrated the gloom, and lo, a Cabinet row—Stimson, Secretary of War, and Fisher, Secretary of the Interior, had succeeded Dickinson and Ballinger. Certain constitutionalists had not properly estimated the power and force of the new light. The Chief Forester had been fired, but "where is now the merry party"? The new light forced its way into the gloom of the last administration, and we had a Taft veto for the Coosa River project.

HAS PRESIDENT WILSON PERCEIVED THE NEW LIGHT?

I wonder if the gentleman from Georgia has ever asked President Wilson if "the new light" has reached his administration. Will he veto such bills if they come up to him? I imagine he has said, "Yes," if such a question has been asked and the necessity for a new enactment in the form of a new general dam act has become apparent. For it was Woodrow Wilson, the historian, who, in speaking of the Roosevelt administration, said:

All must admit that the chief legacy of this remarkable administration to the people of the United States is one of ideas.

And—

One can * * * agree with Gov. Hughes, of New York, in characterizing it as "an administration which has impressed the American people with the necessity for the correction of obvious evils and has stirred the American conscience."

I believe that the new light is still a vital force in this country and that the American conscience is still on the job. So I have no doubt that President Wilson would likewise veto such grants, and the gentleman from Georgia knows that he would, and that Secretary Lane and Secretary Garrison also would advise such vetoes.

NO NEW LIGHT IN THIS BILL UNLESS AMENDED.

But surely the gentleman from Georgia knows there is none of the new light in this pending bill. To enact it into law would be to back up 10 years and practically destroy what has been accomplished in the past. It is absurd to think that the Members of this House will pass this bill in its present form. The gentleman from Georgia has insisted that this is an administration bill, approved by the President; but I will say that I can not understand the position of the administration. There must be a mistake somewhere. If the administration has approved this bill, I believe that approval was given without fully understanding the subject and will be withdrawn.

EVOLUTION OF AN ADMINISTRATION DAM BILL.

On the 19th of last February the report was given out that a bill said to have been proposed by the Secretary of War, Mr. Garrison, had the approval of the administration, but when the letter of the able Secretary disclosed the provisions of the bill it was found that the passion for local self-government and the desire to promote and encourage hydroelectric development had caused the bill to lose all the provisions for real Federal control, and that its adoption would place the water-power interests in a place of safety between the State and the Federal Governments. The new light again shone forth, and Secretary Garrison stated very plainly that he was mistaken and, according to press reports, he let it be known that his approval of the plan had been given in error. Then the other day the gentleman from Georgia [Mr. ADAMSON] presented administration bill No. 2. I say this is an awful backdown, and that Congress can not think of passing it, and I now hear rumors persistent of administration bill No. 3, which carries certain amendments which were passed around on Wednesday afternoon of this week. But I believe administration bill No. 3 will not be satisfactory to this House. I know it is not satisfactory to me. I do not see any reason or excuse for liberalizing the general dam act as is proposed by this legislation. I am fully aware that there is a clamor for this kind of legislation on the part of the water-power interests, and they make the argument that if the law is not liberal, timid capital will not be enticed to build the dams. For my part, I had rather go a little slower and protect the public interest. It is very easy to give away rights and franchises, and it is very hard to recover them when they once get into private hands.

Upon investigation it will generally be discovered that there is no truth in the claims of these interests that honest, legitimate development is being retarded by regulation and careful regard by Congress of the people's rights. Let us consider some

of these claims, and I gladly acknowledge the aid of Mr. Slatery, secretary of the conservation association, in compiling much of this data.

1. THAT FEDERAL CONTROL IS RETARDING POWER DEVELOPMENT.

This is totally disproved by the progress of power development under permit on the national forests. The power permits of the Forest Service contain the very provisions for a 50-year franchise, a charge for the use of the power site, publicity, and prompt development, which the power interests claim are unreasonable and impracticable. So large has been the demand for privileges on national forests under these permits that on October 1, 1913, there were 78 water powers developed, 30 under construction, and 76 for which permits have been taken out during the past two years under conditions requiring prompt development. The total capacity of the water powers now under permit on national forests is 1,090,000 horsepower, reckoned on minimum stream flow. The actual capacity is not less than twice as much. Thus the total horsepower under permit for development in national forests is not far from one-third the total present development of water power in the United States.

The Forest Service has granted permits within the last four months for an aggregate power development of 340,000 horsepower at minimum stream flow, equivalent to at least 700,000 horsepower of actual development.

2. THAT THE CONCENTRATION OF WATER-POWER CONTROL IS NOT INCREASING OR THAT IT DOES NOT EXIST.

Concentration of private control of water power is the dominant feature of the water-power situation, as the following facts show:

In 1908, 13 groups of interests controlled 1,827,000 horsepower.
 In 1911, 10 groups of interests controlled 3,270,000 horsepower.
 In 1913, 10 groups of interests controlled 6,267,000 horsepower.
 Thus the amount of private control of water power has practically doubled in the last two years.

When we compare the private control of developed and undeveloped water powers shown above with the total amount of developed water power in the United States we get these results:

In 1908, total development 5,300,000 horsepower, and the equivalent of 33 per cent in concentrated private control.
 In 1911, total development 6,000,000 horsepower, and the equivalent of 55 per cent in concentrated private control.
 In 1913, total development 7,000,000 horsepower, and the equivalent of 65 per cent in concentrated private control.

When we turn to individual States we find the results shown in the following table, which gives for each of the States enumerated the name or names of the leading power companies and the percentage controlled by them of the total developed commercial power in the State.

| State. | Power company. | Percentage of total commercial power controlled. |
|---------------------|---|--|
| California..... | Pacific Gas & Electric Co.; Western Power Co. | 42 |
| Washington..... | Washington Water Power Co.; Puget Sound Light & Power Co. | 65 |
| Oregon..... | Portland Railway, Light & Power Co. | 54 |
| Utah..... | Utah Security Corporation; Utah Power Co. | 60 |
| Montana..... | Montana Power Co..... | 80 |
| Colorado..... | Colorado Power Co..... | 60 |
| North Carolina..... | Carolina Power & Light Co..... | 50 |
| South Carolina..... | Southern Power Co..... | 80 |
| Georgia..... | Georgia Railway Power Co.; Georgia Power Co. | 55 |
| Alabama..... | Alabama Light, Power & Traction Co. | 96 |
| Tennessee..... | Tennessee Railway, Light & Power Co.; Chattanooga-Tennessee Power Co. | 90 |
| Minnesota..... | Northern States Power Co.; Northwestern Power Co. | 50 |
| Michigan..... | Commonwealth Power, Light & Railway Co. | 42 |
| Maine..... | Central Maine Power Co.; Cumberland County Power & Light Co. | 45 |
| Vermont..... | New England Power Co..... | 55 |

Thus in 15 of the great power States private control of developed commercial power, usually in the hands of a single company, averages 61 per cent. The total capitalization of these controlling power companies in these 15 States is approximately half a billion dollars.

3. THAT DEVELOPMENT OF WATER POWERS IN PRIVATE CONTROL IS KEEPING PACE WITH THE GROWTH OF THIS CONTROL.

In 1911 10 groups of interests controlled 3,270,000 horsepower, of which 1,821,000 was developed and 1,449,000 was undeveloped.

In 1913 10 groups of interests controlled 6,267,000 horsepower, of which 2,711,000 was developed and 3,556,000 was undeveloped.

Thus in two years the great power interests have increased their control of power held undeveloped more than twice as fast as they have increased their power development.

When we compare for 1908 and 1913 the total developed water power in the United States with the concentrated control of water powers developed and undeveloped we get these results:

In 1908 the total developed water power was 5,300,000 horsepower and the total power developed and undeveloped in the control of the 13 greatest groups of power interests was 1,800,000.

In 1913 the total developed water power was 7,000,000 horsepower and the total power developed and undeveloped in the control of 10 great groups of interests was 6,300,000.

Thus concentration of ownership of water power in the United States has increased in the last five years about seven times faster than power development.

Three western power corporations alone control about 1,000,000 undeveloped horsepower.

4. THAT IT IS DIFFICULT TO INTEREST CAPITAL IN POWER DEVELOPMENT BECAUSE OF HIGH FINANCIAL RISK AND LOW RETURNS.

During the last 10 years the net earnings of gas and electric companies have never dropped below 8 per cent on the securities issued, although these have increased by 110 per cent, or double the railroad expansion. (Henry L. Doherty & Co., bankers, New York, Apr. 21, 1913.)

The relative safety of gas and electric companies' securities compared with other securities is shown by the following figures:

| Average annual amount of securities in receivers' hands per \$100 of outstanding securities. | |
|--|--------|
| Gas and electric companies..... | \$0.37 |
| National banks..... | |
| Insolvent..... | \$0.32 |
| Voluntary liquidation..... | 1.61 |
| Railroads..... | 1.93 |
| Industrials..... | 1.84 |
| | 2.07 |

This shows that gas and electric companies are about as safe as national banks. For the last 10 years gas and electric companies have earned an average net return of \$8.45 per \$100 of outstanding securities, industrials \$7.79, and railroads \$4.25. Thus gas and electric companies have larger net earnings than the other classes. Their security is also greater, since their receivership risk is \$0.37, against \$2.07 for industrials and \$1.84 for railroads.

Edward B. Lee, a recognized authority on investment securities, in "A year's review of public utilities," Moody's Magazine, January, 1913, states that 57 public-utility companies raised \$469,656,000 through the sale of securities in 1912.

Mr. Lee also states:
 The year 1912 saw the greatest spread of the holding-company idea and of the consolidation of public-utility companies and properties—

And goes on to say—
 There are those who believe that the development of public-utility properties and the extension of their financing has gone a step too far.

5. THAT MANY POWER DEVELOPMENTS HAVE BEEN "GRAVEYARDS" FOR THE HOPES AND CAPITAL OF THEIR PROMOTERS.

Continuing, Mr. Lee says:

The record of hydroelectric companies in the United States has been, on the whole, an excellent one. There have been, of course, some failures owing to unfortunate selection of territory to be served and of water-power sites to be utilized, to faulty construction of dams and reservoirs, and to bad financing; but the losses of investors have been relatively small.

6. THAT RATES CHARGED BY POWER INTERESTS FOR WATER POWER COULD NOT REASONABLY BE LOWER.

Testimony before the House Committee on Foreign Affairs given by Gen. Francis V. Greene, president of the Niagara, Lockport & Ontario Power Co., and by Mr. C. H. Hammond, corporation counsel, Buffalo, brought out the fact that Buffalo pays \$30 per horsepower for hydroelectric power generated at Niagara, and Rochester pays \$25, while Toronto pays \$17.45, and Hamilton, also in Canada, pays \$18.55 per horsepower.

In Chicago, St. Paul, Spokane, Pittsburgh, Portland, Providence, Richmond, Reading, and San Antonio the base rate for power for lighting purposes charged by private companies is 10 cents per kilowatt hour. In Cleveland, where the municipality operates its own power plant, the maximum rate is 3 cents and the minimum 1 cent. Pasadena, which used to pay 15 cents per kilowatt hour under private ownership of its power plant, is now running its own plant and selling power for 5 cents per kilowatt hour, and has already earned enough in profits to pay for the plant.

Seattle now operates its own municipal light and power plant, with the result that power costs the city and the consumer less

than half what it cost when the power plant was privately owned and operated.

The Mississippi River Power Co., which operated the Keokuk Dam, has already sold less than one-third of the developed power for a sum representing a return of 5 per cent on its entire investment of \$20,000,000.

We can not afford to forget the vast numbers of the people who must furnish the money to stimulate these water-power interests. The promoters that are in the habit of finding a snag and then forming a company will be heard to complain. Water-power development has been going on with amazing rapidity. This talk about embarrassed millionaires and timid water-power financiers is not borne out by the facts.

The Electrical World has made public some estimates of the rate of growth of the central-station business for March, 1914, compared with March, 1913, for various groups of States, based upon actual official returns from nearly 100 companies, which represent between them something over one-half of the entire light and power industry. These data show the following rates of increase on (1) revenue from the sale of energy and (2) total energy output of stations in kilowatt-hours: Middle Atlantic States, 6.1 per cent and 7.5 per cent; South Atlantic, 11.3 and 22.8; Central, 11.2 and 12.8; New England, 7.1 and 7.7. For the whole country it is closely estimated that the gross revenue from the sale of energy increased from \$29,500,000 in March, 1913, to \$31,913,000 in March, 1914, and the total energy output from 1,142,000,000 kilowatt-hours to 1,257,250,000.

THE WATER-POWER PROBLEM.

The water-power problem will sooner or later be brought home to every man, woman, and child, and home in this Nation. Within a few years the use of power will become a daily problem to the man on the farm, the woman in the home, and to the workman in the shop. It does not take vision or imagination of great length to see the day when electric power, on account of the prohibitive cost of coal and wood, due to the depleted supply, will be the great factor in the power world. Even to-day, in manufacturing, water power is beginning to become a prime factor. This is shown by the fact that in six Western States 60 per cent of the power used in manufacturing is generated by falling water. When we consider the inestimable advantage of electricity over other power, we see clearly that water power will easily override all competitors.

WATER POWER IN THE HOME.

The use of electricity, generated by water power, is rapidly becoming an important economic factor in the home. Its widespread use for lighting and heating purposes is common knowledge. But in the near future will come the general operation of labor-saving devices in the home by electricity. In the West many communities have solved their servant problem, to say nothing of a reduced cost, by the installation of electric labor-saving machinery. A western governor at a recent meeting of the house of governors, to illustrate the widespread use of water power in his section, said: We have it on the farms, where we cook and heat and light by electricity, because our water powers are so cheap that we can afford to do it. In my home we have not had a fire to cook with in seven years nor a fire to heat our bath water and water for domestic use, and we do our cooking, make our ice cream, and churn the butter, do the washing and ironing, and the girls even wash the dishes by electricity. Within a few years this illustration will aptly apply to every section of this country.

CONSERVATION VERSUS DISSIPATION OF WATER POWER.

The keynote of the conservation policy with reference to water power is that our water powers should be controlled by the public. The reckless granting of power sites in perpetuity and without restrictions has been a sin of this generation which will be visited many times over on generations to come. The heedless giving of these franchises by both State and Nation to private corporations has been partly due to the failure of the public servants to safeguard this inestimable resource. There is some truth in the plea of ignorance, since it was only a few years ago that the value of a power site was realized. But there is no excuse for the frittering away of these valuable resources in this time of our Nation's life, with the ills of monopoly pressing us on every side. We must awaken to the true situation or there will be no use to lock the stable—the horsepower will be gone. Democrats ought to recognize the following words of William J. Bryan:

I know of nothing that nearer approaches the system of landlordism in Europe than the proposed giving away of these mountain streams in perpetuity to great syndicates, that through the years and generations to come could extract their toll from the toiling people. Therefore when we consider the use of these mountain streams the first thing we must decide is that there shall be no perpetual grant of water power. Who can tell what that right will be worth a hundred years

from now? Look back 25 years. Who could have estimated then the value of a water-power site to-day? Within the last quarter of a century we have had a development of electricity that makes it possible to carry for hundreds of miles power generated by falling water. If you visit Canada you will find in the Province of Ontario great towers carrying for hundreds of miles the power generated at Niagara Falls. We are now in the very beginning of the use of electricity. What criminal folly for this generation to barter away sacred rights of posterity to syndicates and corporations. So it seems to me that one of the important questions to be decided in the conservation of our natural resources is that the principle of monopoly shall not be permitted in this country under a guise in any form. Let us insist that wherever or whenever a franchise is granted it shall be granted for a term of years, and that term shall not be so long but that we can reasonably estimate to-day the value of it at the end of the term. No other principles are tenable in the discussion of this subject.

DEVELOPED HORSEPOWER AND AVAILABLE SUPPLY.

The report of the Bureau of the Census made for the National Conservation Commission (1908) estimated 5,356,000 horsepower developed in the United States by water power. The Bureau of Corporations report of March 14, 1912, on water-power development estimates about 6,016,127 developed horsepower. According to this report, about 30,000,000 horsepower is developed by gas, water, and coal. It will therefore be seen that one-fifth of the horsepower in the country to-day is generated by water power.

In 1908 the United States Geological Survey estimated the potential water power of the country, minimum, 36,916,250, and maximum, 66,518,500.

It is estimated by experts that the waters of the country, if stored properly, would generate 200,000,000 horsepower, in addition to preventing floods. Power developed from storage reservoirs at the headwaters of our great rivers, like the Mississippi River, has unlimited possibilities. The late Dr. McGee, the most eminent authority on the subject of waters in the country, said of our storage-power possibilities:

It exceeds our entire mechanical power now in use, and would operate every mill, drive every spindle, propel every boat, run every car, and light every city, town, and village in the country.

HAVE WE A WATER-POWER MONOPOLY, AND HOW?

If we should ask the average citizen this question, he would likely answer in the negative. Many doubtless have never heard of a water-power monopoly in their community, although it may already have fastened itself upon them. Let us look, for instance, at California—the State of the greatest water-power development. Upon investigation we find four large companies holding sites capable of developing 570,000 horsepower, of which only about 200,000 horsepower has been developed. This is practically a monopoly of a State's water power, when we consider the Bureau of Corporations' total water-power estimate of 1,168,216 developed horsepower. These corporations are also holding an enormous amount of power undeveloped.

But let us look at other States and see if concentration has been so widespread. In Washington we find two companies controlling 101,000 horsepower, or 75 per cent of the developed power, while in Michigan one company controls 73 per cent, or 52,000 horsepower of that State. Similar conditions exist in Montana, Colorado, Georgia, Alabama, Missouri, and New York.

"That is all right," some one will say, "to talk of these local water powers being under the domination of monopoly. We have heard lots of talk like that before, but I am from Missouri. Who are they? That is the meat of the question." All we will have to do is to put the Government behind these statements and say: There are two power fields in California—one around San Francisco, the other around Los Angeles. In the San Francisco region the Pacific Gas & Electric Co. control the water-power situation, embracing 30 counties, more than 200 cities and communities, and about two-thirds of the people of the State live in the area they serve. This company owns 118,343 horsepower and the electric and traction systems in more than 40 cities. In Washington the eastern part is largely controlled by the Pacific Coast Power Co. In the State of Montana the Butte Electric Power Co. controls 69,260 horsepower and the United Missouri River Power Co. 65,000; together they control 134,260, or about 45 per cent of the entire development. In Colorado the Central Power Co. alone controls all the developed water powers in the vicinity of Denver, and out of 72,000 horsepower developed in the State controls 47,000. This company also controls 50,000 undeveloped. In South Carolina we find the Southern Power Co. controls 101,000 horsepower, or 75 per cent of the State's power, with 73,000 undeveloped horsepower; while in Georgia the Georgia Power Co. controls 73,550 horsepower, or 53 per cent of that in the State. In Michigan 73 per cent of power is controlled by the Commonwealth Power Railway & Light Co., or 51,800 horsepower, and 71,000 undeveloped.

It is true that concentration is more acute in the West than any other section.

IN CONTROL OF THE GOVERNMENT.

However, in the national forests there is about 14,000,000 undeveloped horsepower; on the public lands there is estimated to be 10,000,000 horsepower, and on irrigation projects about 56,690 horsepower. This is 15,000,000 horsepower now under Federal control which should never be allowed to go the way of the other great water powers of the East and West.

IS A WATER-POWER TRUST IN FORMATION?

There may be a question whether or not we have a power trust to-day, but there is no denying the fact that it is on its way. If we look around, we find 10 large groups of water-power companies which are dominated to a great extent by the "General Electric interests." The General Electric absolutely controls 83,000 developed horsepower, controls by interlocking stock ownership or directors 419,000 developed horsepower, and controls through the community of directors 437,000, a total of 939,000 developed horsepower, or 15 per cent of the developed power in the United States, and 641,600 horsepower, or about 24 per cent of the undeveloped power reported by concerns owning developed power. The "Stone & Webster interests," the other large cooperative combine, own or strongly influence 278,000 horsepower, and, undeveloped, 641,000. In other words, we have these two allied interests alone controlling 2,499,600 horsepower. Is this not very near a trust in itself?

A water-power trust, granting it has not arrived, will be the greatest menace to the public welfare that we have yet experienced. Of the dangers of concentration, Senator BURTON has said:

Besides its enormous magnitude, this industry will become fundamental to many other industries which depend upon water power for their operation and success. The possibility of a control of the business of the country through the agency of water power is more imminent than any other form of control ever attempted in the history of human endeavor.

AN EXAMPLE OF THE OLD METHOD.

The Stone & Webster interests own the great Mississippi River Power Co., across the Mississippi River near Keokuk, Iowa, which is to generate 300,000 horsepower. Congress granted a perpetual franchise in 1905 to construct this dam without restrictions, except that certain locks and appurtenant works should be constructed. The project has recently been completed at a cost of \$20,000,000. The dam, which will back the waters of the Mississippi for 65 miles, is eight-tenths of a mile long, of monolithic concrete, with 199 concrete arches, and a power house 1,710 feet long. Two locks on this project are of equal width of those at Panama, namely, 110 feet, and are 400 feet long. Without any regard as to the cost of constructing these locks and whether it would be sufficient remuneration to the Government for the privilege, Congress gave away this valuable right forever and for nothing. An investigation of the franchise, which Congress freely granted, should have been made by Congress. In view of its failure to do so, this news item of a recent date is interesting:

The Union Electric Light & Power Co. of St. Louis has contracted from the Mississippi Power Co. for the sale of 60,000 horsepower from this plant to be delivered in that city at \$20 per kilowatt per year to consumers.

WATER POWER AND CONGRESS.

Since 1789 Congress has authorized the building of about 100 dams by special private bills. To-day 50 per cent of these dam sites are in the hands of large water-power interests. This is convincing evidence that these sites were secured primarily for monopolistic purposes. A Senator well summed up the situation in these words:

Special interests, in order to reap the harvests of the last of our great natural resources, have been grabbing for these water-power sites with a greed hardly paralleled in the history of this country, which has already suffered enough from exploitation of our natural resources.

But some will say, "Well, of course that happened many years ago, when Congress didn't understand the value of this great resource as we all do to-day." Well, just let us see. On February 24, 1911 (act 342), a right was granted by Congress to the Ozark Power & Water Co. to build a dam across the White River in Missouri. This company had been incorporated under the laws of Missouri on January 1, 1911, with authorized capital stock of \$5,000, 48 of the 50 shares being held by one man. Three months after Congress passed this legislation the company increased its capital to \$875,000, and nine months after its capital stock was increased to \$2,000,000. This company is to-day rapidly absorbing all the local power companies in this section. The report of the Missouri Waterway Commission (p. 35, 1912) says of this same company:

It could not be learned by this commission at what price this electric energy would be delivered to the power consumer. Providing the electric power is sold to the ultimate consumer at a price which will be just a little under that of coal-produced power, it is easily seen that the profits from this water-power investment will be exceedingly large. At \$40 per horsepower per annum, which, because of

the high cost of producing power by means of coal and steam at Springfield and Joplin, would not be an excessive price, the annual gross income from this one water-power development would be \$400,000. However, if more than the minimum power were realized the annual income would greatly exceed this amount. The promoters of the project have estimated that the annual expense, including the maintenance of transmission lines and the operation of the power plant, will not exceed \$50,000. This therefore leaves a net income of \$350,000 on an investment of less than \$2,000,000, which is 16½ per cent profit. It is very likely, however, that the gross income is underestimated and the actual expenses overestimated, and therefore possible that the profits will be much greater than indicated.

Congress granted this franchise with no consideration of its worth or the speculative feature involved.

I have already referred to the fact that President Roosevelt in his veto of the James River bill, on January 19, 1909, called to the attention of Congress its failure to properly protect the public interest in these grants. But in 1909 an omnibus bill was reported favorably which contained this same grant on the James River. The grant became a law and a few months after was transferred to the power monopoly of Missouri by the grantees.

CONTROL IN FOREIGN COUNTRIES.

It may be of interest to see how they are handling this water-power problem in other countries. In the Province of Victoria, Australia, licenses are granted only for a limited period at an average charge of \$5 per horsepower per annum.

The New South Wales Government retains the ownership of all land 66 feet each side of all water fronts and courses, and taxes and leases the water power.

In Switzerland, in 1908, an amendment to the constitution was adopted granting the Federal Government control of all franchises, and to-day about 70 per cent of all power generated in Switzerland is owned by public authorities or under public control through stock ownership. Many cities have municipal power plants.

In France permits are granted for development purposes on navigable streams on a rental basis.

Italy grants concession for water power not longer than 30 years on an annual rental.

Ontario reserves the right on each side of all water fronts and transmits power to municipalities at cost.

Mr. ADAMSON. Mr. Chairman, I wish to congratulate the country that there are some correct views on the Pacific coast, and I have sent to the Clerk's desk a letter to show the concurrence of the Seattle Chamber of Commerce and the San Francisco Chamber of Commerce in this bill, and I ask that it be read in my time.

The CHAIRMAN. Without objection the Clerk will read.

The Clerk read as follows:

SAN FRANCISCO CHAMBER OF COMMERCE,
July 8, 1914.

NEW SEATTLE CHAMBER OF COMMERCE,
Mr. C. B. YANDELL, Secretary,
Seattle, Wash.

GENTLEMEN: Referring to your favor of the 9th instant, in the matter of the Jones water-power bill and the Adamson bill, we beg to advise you that the board of directors of this chamber has taken action concurring in the recommendations of the New Seattle Chamber of Commerce, as set forth in the resolution adopted by your chamber endorsing the Jones water-power bill, suggesting a proposed amendment to that measure, and endorsing the Adamson bill.

We have to-day notified our congressional Representative of this action, as well as advising the associated chambers of commerce in the matter.

Yours, very truly,

SAN FRANCISCO CHAMBER OF COMMERCE,
L. M. KING, Secretary.

Mr. ADAMSON. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GARNER, 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. 16053—the general dam bill—and had come to no resolution thereon.

PRICES OF WHEAT IN KANSAS.

Mr. DOOLITTLE. Mr. Chairman, I ask unanimous consent for the present consideration of House resolution 571, which requests the Secretary of Commerce to report concerning the prices paid for wheat in Kansas, and so forth.

Mr. STEVENS of Minnesota. Mr. Speaker, I shall have to object to that being called up at this time. I promised the minority leader that I should object to all such matters.

The SPEAKER. The gentleman from Minnesota objects.

ADJOURNMENT.

Mr. ADAMSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 19 minutes p. m.) the House adjourned until to-morrow, Friday, July 24, 1914, at 11 o'clock a. m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. GARNER, from the Committee on Ways and Means, to which was referred the resolution (H. Res. 570) directing the Secretary of the Treasury to transmit to the House of Representatives all facts in his possession with reference to the conduct of the collector of customs of the Laredo district, in the State of Texas, reported the same with amendment, accompanied by a report (No. 1010), which said resolution and report were referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. McKENZIE, from the Committee on Military Affairs, to which was referred the bill (H. R. 17752) for the relief of Caleb T. Holland, reported the same without amendment, accompanied by a report (No. 1008), which said bill and report were referred to the Private Calendar.

Mr. FRENCH, from the Committee on the Public Lands, to which was referred the bill (H. R. 11765) to perfect the title to land belonging to the M. Forster Real Estate Co., of St. Louis, Mo., reported the same with amendment, accompanied by a report (No. 1009), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CHURCH: A bill (H. R. 18030) to provide for the sale of irrigation projects acquired under the provisions of the reclamation act to districts organized for the distribution of water for irrigation on the lands embraced within such projects, and to provide, under certain conditions, for the future construction of irrigation projects with moneys from the reclamation fund, the same to be sold, when completed, to districts organized for the purchase thereof; to the Committee on Irrigation of Arid Lands.

By Mr. OLDFIELD: A bill (H. R. 18031) amending sections 476, 477, and 440 of the Revised Statutes of the United States; to the Committee on Patents.

By Mr. EAGAN: Memorial from the House of Delegates of the State of Virginia, favoring the acquisition of Monticello by the Government of the United States; to the Committee on the Library.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADAIR: A bill (H. R. 18032) granting a pension to George C. Louthain; to the Committee on Invalid Pensions.

By Mr. ALLEN: A bill (H. R. 18033) granting an increase of pension to Julia Fuhrmann; to the Committee on Invalid Pensions.

Also, a bill (H. R. 18034) granting an increase of pension to Martha G. Le Count; to the Committee on Invalid Pensions.

By Mr. BRODBECK: A bill (H. R. 18035) granting an increase of pension to Aaron Markle; to the Committee on Invalid Pensions.

By Mr. DEITRICK: A bill (H. R. 18036) granting a pension to Charles McHugh; to the Committee on Invalid Pensions.

By Mr. FORDNEY: A bill (H. R. 18037) to remove the charge of desertion from the record of Henry T. Shafer; to the Committee on Military Affairs.

By Mr. HELM: A bill (H. R. 18038) to carry out the findings of the Court of Claims in the case of Louis Landram, administrator of William J. Landram, deceased; to the Committee on Claims.

By Mr. MACDONALD: A bill (H. R. 18039) granting a pension to Henry Wachter; to the Committee on Pensions.

By Mr. MAGUIRE of Nebraska: A bill (H. R. 18040) granting an increase of pension to Addison H. Vanderbergh; to the Committee on Invalid Pensions.

By Mr. MOSS of West Virginia: A bill (H. R. 18041) granting an increase of pension to America M. Fellows; to the Committee on Invalid Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 18042) granting an increase of pension to Anna Robbins; 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 the SPEAKER: Petition signed by Herman Eissmar, of Pacific, Mo., protesting against the adoption of the Hobson prohibition amendment; to the Committee on Rules.

By Mr. AINEY: Petition of citizens of Rummerfield and Cold Creek, Pa., favoring national prohibition; to the Committee on Rules.

Also, petitions of citizens of Canton, Little Meadows, Camp-town, East Herrick, Luzerne County, 13 citizens of Clifford, 138 citizens of Orwell, and sundry citizens of Preston, all in the State of Pennsylvania, favoring national prohibition; to the Committee on Rules.

By Mr. ALEXANDER: Petition of citizens of Orrick, Mo., for extension of the provisions of the pension law of May 11, 1912, to widows of soldiers; to the Committee on Invalid Pensions.

Also, petition of sundry voters of Gentry County, Mo., and Lone Star Woman's Christian Temperance Union, of Lone Star, Mo., favoring national prohibition; to the Committee on Rules.

By Mr. ALLEN: Memorial of Noyes McCook Post, No. 36, Department of Ohio, Grand Army of the Republic, favoring an appropriation for reunion of veterans at Vicksburg, Miss., in 1915; to the Committee on Appropriations.

By Mr. BRUCKNER: Petition of the Merchant Tailors' Society of New York City, relative to evasions of the tariff law; to the Committee on Ways and Means.

Also, petition of Lord's Day Alliance, protesting against section 6 of H. R. 12928; to the Committee on the Post Office and Post Roads.

Also, petition of Merchants and Manufacturers' Association of Philadelphia, Pa., relative to legislation affecting business; to the Committee on the Judiciary.

Also, memorial of General Post Office Letter Carriers' Mutual Benefit Association of New York City, protesting against section 6 of House bill 12928; to the Committee on the Post Office and Post Roads.

Also, petition of Central Federated Union, favoring the passage of the seamen's bill; to the Committee on the Merchant Marine and Fisheries.

By Mr. CLANCY: Petitions of C. G. Van Wormer, B. W. Ingraham, Rev. J. B. Knappenbeyer, and others, of Syracuse; Rev. Charles J. Howell, R. J. Manchester, Edwin K. Munro, and others, of Camillus; C. E. Green and others, of Apulia; Ernest Ashby, E. E. McDowell, and others, of Memphis; Rev. John C. Nichols and others, of Skaneateles; W. H. Graham, Mrs. Frank M. Jones, and others, of Syracuse, all in the State of New York, favoring national prohibition; to the Committee on Rules.

Also, petition of 95 voters of the thirty-fifth New York congressional district, against passage of Hobson-Sheppard-Works resolution; to the Committee on Rules.

Also, petitions of sundry citizens of Syracuse, Baldwinsville, Lysander, East Syracuse, Onondaga, Jordan, Skaneateles, Marcellus, and Camillus, all in the State of New York, against national prohibition; to the Committee on Rules.

Also, petition of employees of the Syracuse (N. Y.) Lithographing Co., against national prohibition; to the Committee on Rules.

By Mr. DOOLITTLE: Petition of 200 citizens of Eureka, Kans., favoring national prohibition; to the Committee on Rules.

By Mr. EAGAN: Petition of Howard F. Malt, of New Jersey, relative to carrying railway postal clerks on railroads free of charge; to the Committee on the Post Office and Post Roads.

Also, petition of Roseburg (Oreg.) Commercial Club, relative to new post-office building in Roseburg, Oreg.; to the Committee on the Post Office and Post Roads.

Also, memorial of United Societies for Local Self-Government of Chicago, Ill., protesting against national prohibition; to the Committee on Rules.

By Mr. FESS: Petition of W. A. Brand Post 98, Department of Ohio, Grand Army of the Republic, favoring appropriation for reunion of veterans at Vicksburg, Miss., in 1915; to the Committee on Appropriations.

By Mr. MERRITT: Petitions of Frederick R. Griffiths, Samuel J. Orr, G. W. Owen, W. F. Chaffee, Frank Backus, Noah Walker, Floyd Patterson, J. B. Wheeler, C. E. Wheeler, L. B. Ginn, Robert Merrifield, A. L. Dickinson, James Weatherup, Newton Stone, Joseph Ross, R. R. Ormsbee, William Graham, L. W. Seaman, L. N. Stone, C. E. Sunderland, J. L. Wood, J. H. Hutchinson, John McAllester, James Davis, E. R. Smithers, Henry Parkhill, E. M. Bagley, John Cline, W. A. Burlingame, E. H. Dexter, G. H. Simpson, C. B. Doty, R. S. Murray, Richard Kelly, Fred N. Bockers, S. C. Kendrew, F. W. Laidlaw, E. D.

Hanson, Allen Bill, S. M. McCrea, and S. C. Lytte, all of Rensselaer Falls, N. Y., favoring national prohibition; to the Committee on Rules.

By Mr. PATTON of Pennsylvania: Petition of citizens of Unionville, Pa., favoring national prohibition; to the Committee on Rules.

By Mr. ROBERTS of Nevada: Petitions of Jack Volz, A. J. Campbell, and 11 others; Frank England, S. J. Lachman, and 5 others; and C. H. Smith, of Rhyolite, Nev., protesting against national prohibition; to the Committee on Rules.

By Mr. SMITH of Idaho: Petition of J. P. Sargood and 30 other citizens of Eagle, Idaho, favoring national prohibition; to the Committee on Rules.

By Mr. TALCOTT of New York: Petitions of the Liquor Dealers' Association of Herkimer and Mohawk; citizens of Waterville; Coopers' Union, Meat Cutters' Union, Carpenters' Union No. 1632, Steam Engineers' Union, Paper Hangers' Union, Street Railway Employees' Union, Bartenders' Union, Cigar Makers' Union, Mule Spinners' Union, Switchmen's Union, Hod Carriers' Union No. 132, Horseshoers' Union, Iron Molders' Union, Hod Carriers' Union No. 35, Lathers' Union No. 52, Barbers' Union, and Plumbers' Union, all of Utica, N. Y., protesting against national prohibition; to the Committee on Rules.

Also, petitions of Charles Younker, Dolgeville; First Methodist Episcopal Church, Rome, N. Y.; R. N. Jessup, Rome, N. Y.; J. B. Kingsley, F. M. Horton, Rev. F. J. Lee, Henry Ernst, J. A. Bailey, and C. E. Stedman, of Rome; E. N. Ames, Rome; 48 citizens of the thirty-third New York district; Truman Cole, C. T. Cole, Little Falls; A. W. Deitz, Verona Station; Lambert Family, New Hartford; F. R. and E. A. Stone, Little Falls; citizens of Oneida County; A. C. Burnam, Camden; W. J. Bennett, Waterville; Mr. and Mrs. Morris Smith, Henry Smith, representing 100 citizens of Herkimer; J. P. Jones, Dolgeville; Poland Baptist Church, Poland; T. P. Marsh, Dolgeville; M. C. Bullock, West Winfield; J. A. Hayes, Utica; citizens of Little Falls; Methodist Episcopal Church, Little Falls; A. E. Cox, Poland; citizens of New Hartford; P. H. Quackenbush, Herkimer; Men's Bible Class, First Presbyterian Church, Little Falls; Rev. H. L. Campbell, Snuquoit; William Carpenter, Rome; Alonzo Murray, Little Falls; Bethesda Welsh Congregational Church, Utica; H. S. Ninde, Rome; Rev. Thomas Browne, New Hartford; M. A. Spicer, West Winfield; F. H. Swanson, Camden; Young People's Society of Christian Endeavor of Bethesda Church, Utica; Woman's Christian Temperance Union of Poland, all in the State of New York, favoring national prohibition; to the Committee on Rules.

Also, petition of Department Veteran Army of the Philippines, relative to civil-service conditions in Philippine Islands; to the Committee on Reform in the Civil Service.

Also, memorial of citizens of Rome, N. Y., favoring a national motion-picture commission; to the Committee on Education.

By Mr. WALLIN: Petition of sundry citizens of Schenectady, N. Y., protesting against any change in the flag; to the Committee on the Judiciary.

SENATE.

FRIDAY, July 24, 1914.

(Legislative day of Thursday, July 23, 1914.)

The Senate reassembled at 11 o'clock a. m. on the expiration of the recess.

FEDERAL TRADE COMMISSION.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 15613) to create an interstate trade commission, to define its powers and duties, and for other purposes.

The VICE PRESIDENT. The pending question is on the amendment proposed by the Senator from Nevada [Mr. NEWLANDS].

Mr. BRANDEGEE. 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 | Gallinger | Perkins | Smoot |
| Brady | Hitchcock | Pittman | Stone |
| Brandeggee | Hollis | Polindexter | Swanson |
| Burton | Jones | Pomerene | Thomas |
| Camden | Kenyon | Reed | Tillman |
| Catron | Kern | Saulsbury | Vardaman |
| Chamberlain | Lane | Sheppard | Walsh |
| Chilton | Martine, N. J. | Shively | Weeks |
| Clapp | Myers | Simmons | West |
| Culberson | Newlands | Smith, Ga. | White |
| Cummins | Page | Smith, Md. | Works |

Mr. PAGE. I wish to announce the necessary absence of my colleague [Mr. DILLINGHAM]. He is paired with the senior Senator from Maryland [Mr. SMITH].

Mr. KERN. I desire to announce the unavoidable absence of the junior Senator from Kansas [Mr. THOMPSON]. He will be detained for several days.

Mr. GALLINGER. I wish to announce the necessary absence of the junior Senator from Maine [Mr. BURLEIGH].

Mr. SIMMONS. I wish to announce the unavoidable absence of my colleague [Mr. OVERMAN]. He is paired with the Senator from California [Mr. PERKINS].

Mr. CAMDEN. I desire to announce the unavoidable absence of my colleague [Mr. JAMES]. He will be absent to-day. He is paired with the Senator from Massachusetts [Mr. WEEKS].

Mr. KERN. I wish to state that the Senator from Louisiana [Mr. THORNTON] is necessarily detained from the Chamber.

The VICE PRESIDENT. Forty-four Senators have answered to the roll call. There is not a quorum present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. BRYAN, Mr. SMITH of Arizona, and Mr. SMITH of Michigan answered to their names when called.

Mr. SWANSON. My colleague [Mr. MARTIN of Virginia] will be unavoidably detained from the Senate to-day and tomorrow. It is impossible for him to be present.

Mr. BANKHEAD entered the Chamber and answered to his name.

Mr. KENYON. I desire to announce the unavoidable absence of the senior Senator from Wisconsin [Mr. LA FOLLETTE] on account of illness.

Mr. JONES. I desire to announce that the junior Senator from Michigan [Mr. TOWNSEND] is necessarily absent. He is paired with the junior Senator from Arkansas [Mr. ROBINSON]. I will let this announcement stand for the day.

Mr. SMOOT. I desire to announce the unavoidable absence of the junior Senator from Wisconsin [Mr. STEPHENSON].

Mr. SHAFROTH entered the Chamber and answered to his name.

The VICE PRESIDENT. Forty-nine Senators have answered to the roll call. There is a quorum present.

Mr. WORKS obtained the floor.

Mr. ASHURST. Mr. President—

The VICE PRESIDENT. Will the Senator from California yield to the Senator from Arizona?

Mr. ASHURST. I was going to move to proceed to the consideration of the conference report on the Indian appropriation bill; but, of course, I would not make that motion so as to interfere with the remarks of the Senator from California. However, as soon as he has concluded his remarks I shall make that privileged motion.

Mr. WORKS. Mr. President, I have already expressed my views in somewhat extended remarks made by me a few days ago on the three trust bills that are now before the Senate. I am not going to take up the time of the Senate in any further extended remarks upon the bill that is now immediately under consideration.

I have contended in the Senate for a long time and on different occasions that the only effective way to deal with the trusts is by specific provisions against wrongful offenses committed. We have legislated for a long time against combinations, conspiracies, and monopolies, but after all it is not the monopoly that offends or injures competition, nor is it the combination or conspiracy. It is the specific acts done in restraint of trade after that combination or monopoly has been formed or is in existence.

I listened with a good deal of interest to what was said by the Senator from Idaho [Mr. BORAH] in commenting upon the Standard Oil case, the Tobacco Trust case, and others of a like kind. I want to say to the Senate that the adjudication of those cases and the results which followed did more to satisfy my mind of the inadequacy and inefficiency of the Sherman antitrust law than anything that has happened. What was said by the court in laying down the principles involved in the controversy was interesting. They were correct principles that ought to control the conduct of business. But, after all, the only thing that was accomplished or attempted to be accomplished as the result of that litigation was to dissolve the combinations that had been formed, resulting, as it was claimed, in each case as a monopoly of the business in which these different corporations were engaged.

Now, what harm resulted to the Standard Oil Co. by the decree that was rendered in that case or its enforcement? Absolutely none. Instead of affecting the value of the stock of the corporation the stock went up soon after that time.