

Also, petition of 210 people of Los Angeles, Cal., for national constitutional prohibition amendment; to the Committee on Rules.

By Mr. BURKE of Wisconsin: Petition of Carl Wilkowski and 51 other citizens of Watertown, Wis., protesting against an increase in the revenue tax on cigars; to the Committee on Ways and Means.

By Mr. CONNOLLY of Iowa: Petition of citizens of Burlington, Iowa, protesting against proposed raise in revenue tax on cigars; to the Committee on Ways and Means.

By Mr. DAVIS: Petition of Woman's Christian Temperance Union of Red Wing, Minn., protesting against the European war; to the Committee on Foreign Affairs.

By Mr. GRIEST: Resolution of the Philadelphia Leaf-Tobacco Board of Trade, protesting against the proposed increase in the internal-revenue tax on cigars; to the Committee on Ways and Means.

Also, petition of S. N. Mumma and other citizens of Landisville, Pa., protesting against the proposed raise in revenue tax on cigars; to the Committee on Ways and Means.

By Mr. LANGHAM: Petitions of 31 people of Manorville, Pa., and 50 of Ford City, Pa., in favor of national prohibition; to the Committee on Rules.

By Mr. McANDREWS: Resolutions of the Chicago Federation of Labor, protesting against increased cost of foodstuffs; to the Committee on Ways and Means.

By Mr. McGUIRE: Petitions of citizens of Julian, Lorton, and Unadilla, Nebr., in favor of House bill 5308; to the Committee on Ways and Means.

By Mr. McKENZIE: Petitions of citizens of Lee and Whiteside Counties, Ill., in favor of national prohibition; to the Committee on Rules.

By Mr. MURDOCK: Petition of citizens of Kansas, in favor of national prohibition; to the Committee on Rules.

By Mr. J. I. NOLAN: Petitions from sundry citizens of the city of San Francisco, Cal., favoring the passage of the Hamill bill (H. R. 5139) providing for the retirement of superannuated civil-service employees; to the Committee on Reform in the Civil Service.

By Mr. SAMUEL W. SMITH: Petition of Board of Commerce of Flint, Mich., for the creation of an American merchant marine; to the Committee on the Merchant Marine and Fisheries.

By Mr. STEPHENS of California: Petition of Torrance, Marshall & Co., of Los Angeles, Cal., in favor of bill granting relief to railroads; to the Committee on Interstate and Foreign Commerce.

Also, telegram from Los Angeles (Cal.) Retail Druggists' Association, protesting against war tax on patent medicines; to the Committee on Ways and Means.

By Mr. TAVENNER: Petition of J. E. Temple and others, of Rock Island, Ill., favoring amendment to House bill 14288; to the Committee on Public Buildings and Grounds.

## SENATE.

WEDNESDAY, September 9, 1914.

(Legislative day of Saturday, September 5, 1914.)

The Senate reassembled at 11 o'clock a. m., on the expiration of the recess.

The VICE PRESIDENT. The Chair calls the attention of the Senate to the following communication from the Sergeant at Arms, and in connection therewith states that unless the Senate is of a different opinion from the opinion of the Vice President, as expressed upon yesterday, no warrants will issue for the attendance of Senators outside of the city of Washington until they have been requested to attend the Senate of the United States and have explained the reasons for their absence, so that the Senate may determine whether the Senators were absent with or without a good reason. The Secretary will read the communication.

The Secretary read as follows:

SENATE OF THE UNITED STATES,  
SERGEANT AT ARMS,  
September 9, 1914.

To the PRESIDENT OF THE SENATE.

SIR: In compliance with Senate order of Tuesday, September 8, 1914, directing the Sergeant at Arms to compel the attendance of absent Senators, I beg to report that I have communicated this order by telephone, telegraph, or in person to all Senators who were absent on September 8, 1914, with the exception of one Senator, who is in Europe.

Very respectfully,

CHARLES P. HIGGINS,  
Sergeant at Arms, United States Senate.

## DIPLOMATIC AND CONSULAR EXPENSES IN EUROPE.

Mr. MARTIN of Virginia. From the Committee on Appropriations I report back favorably without amendment the joint resolution (H. J. Res. 337) to provide for representation of foreign Governments growing out of existing hostilities in Europe and elsewhere, and for other purposes, and I ask for its present consideration.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. BURTON. What is the resolution?

Mr. MARTIN of Virginia. I will say it is the emergency resolution that the State Department asked in aid of our foreign obligations in taking over diplomatic work.

Mr. BURTON. It is an appropriation of \$1,000,000?

Mr. MARTIN of Virginia. Of \$1,000,000. The joint resolution has passed the House.

The VICE PRESIDENT. The Secretary will read the joint resolution, and then the Senate will determine whether there is objection to its consideration or not.

The Secretary read the joint resolution, as follows:

*Resolved, etc., That to enable the United States to fulfill the obligations devolving upon it in connection with or growing out of its representation of the interests of foreign Governments and their nationals, and to extend temporary assistance to other Governments and their nationals, made necessary by hostilities in Europe and elsewhere, by transferring or advancing funds for diplomatic and consular expenses and for the care or benefit of citizens or subjects of foreign nations, there is appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$1,000,000, to be available during the fiscal year 1915, and to be disbursed under the direction and in the discretion of the Secretary of State: Provided, That payments made by foreign Governments or their citizens or subjects shall be credited to this appropriation and be available for the purpose herein specified: Provided further, That all sums received by the United States in final reimbursement of amounts paid by it out of the \$1,000,000 herein appropriated shall be paid into the Treasury of the United States as "miscellaneous receipts."*

The Secretary of State shall submit to Congress at the next session, or as soon thereafter as may be practicable, a report of the amount repaid to the United States, with such further information upon the subject as may be, in his judgment, consistent with the public interest.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. BURTON. Will the Senator from Virginia tell the Senate how this amount was arrived at?

Mr. MARTIN of Virginia. It is arrived at as an estimate of the State Department. It is not possible to make an accurate statement of the amount of money that will be required, but it is believed that this is considerably more than will be necessary. Not a dollar of it will be used except to meet actual emergencies as they arise, and the State Department estimated that it would like to have \$1,000,000. I will say that not one dollar of it will be lost to the Government. It is simply an advance to foreign Governments to meet the existing emergencies in the work the United States has taken over.

Mr. BURTON. That is, to our embassies?

Mr. MARTIN of Virginia. Our embassies. It goes through our embassies in the different countries.

Mr. SMOOT. I should like—

Mr. BURTON. One thing further. It seems to me this amount is large—in fact, very large—but I take it only that portion of it will be expended which is necessary, and the object is so commendable and so necessary for our standing among the nations that I certainly shall not object.

Mr. MARTIN of Virginia. Not one dollar will be paid out except as it is actually needed, and not one dollar of it will be lost to this Government. They are advances made to foreign Governments under the exigencies which now confront them.

Mr. SMOOT. Mr. President, I am in favor of the immediate consideration of the joint resolution, and I certainly do not object to the amount contained in it. I simply rose, however, to say to the Senator from Virginia that I believe the statement he made that the Government would not lose one cent is a little too broad, because there may occasions arise requiring our representatives in foreign countries to make advances under emergency cases that it will be impossible to return to the department. I understand the department understands that. I do not believe that it will be very much, however.

Mr. MARTIN of Virginia. The Secretary of State in the hearing before the House committee and personally to me expressed the opinion that not a single dollar would be lost to the United States Government. Of course, there might be a contingency when a small loss might unexpectedly be entailed, but whatever those losses may be, it is obligatory upon this Government to make the provision under the circumstances which confront us.

Mr. SMITH of Michigan. Mr. President, let me ask the Senator from Virginia does this situation grow out of advances made by our ministers and ambassadors and consuls to stranded Americans?

Mr. MARTIN of Virginia. Not at all. It is made by our ambassadors and ministers to citizens of foreign countries whose diplomatic work has been taken over by the American Government.

Mr. SMITH of Michigan. Exactly. Then the expense of administering the affairs of foreign countries, which we have engaged to do as a neutral power, is what this is intended to cover.

Mr. MARTIN of Virginia. That is exactly what is intended. It is not intended for the relief of American citizens. They have been provided for in another appropriation.

Mr. SMITH of Michigan. Do I understand the amount which has been expended and the obligations incurred for increased service are to be covered by this appropriation?

Mr. MARTIN of Virginia. Not at all. The most of the increased expense will be paid by foreign Governments. The work our ambassadors do for foreign Governments, those foreign Governments will be expected to pay.

Mr. SMITH of Michigan. We have been asked to take over the affairs of belligerents now in war, and of course have done so, involving a great amount of work and expense, which those Governments will repay, and this appropriation is intended to meet that emergency. I do not have any objection to the joint resolution.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. REED. Mr. President, I did not rise to object, but to state that upon the conclusion of the consideration of this joint resolution I shall ask the Senate to consider the bill (S. 6398) to amend section 1 of an act approved May 30, 1908, entitled "An act to amend the national banking laws," which is a bill to increase the power of the banks to obtain additional currency under the Aldrich-Vreeland Act.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

#### CALLING OF THE ROLL.

Mr. GALLINGER. Mr. President, as the Senator from Missouri [Mr. REED] has given notice that he proposes to ask for the consideration of an important measure, 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:

Asburt	Hughes	O'Gorman	Smoot
Bankhead	James	Overman	Sterling
Brady	Jones	Page	Stone
Bryan	Kenyon	Perkins	Swanson
Burton	Lane	Pittman	Thomas
Chamberlain	Lea, Tenn.	Ransdell	Thompson
Chilton	McCumber	Reed	Thornton
Clapp	McLean	Robinson	Walsh
Crawford	Martin, Va.	Sheppard	West
Culberson	Martine, N. J.	Shively	White
Fall	Myers	Simmons	
Fletcher	Nelson	Smith, Ga.	
Gallinger	Norris	Smith, Mich.	

Mr. SHEPPARD. I wish to announce the unavoidable absence of the Senator from Mississippi [Mr. VARDAMAN] on account of official business.

Mr. SMOOT. I desire to announce the unavoidable absence of my colleague [Mr. SUTHERLAND]. He has a general pair with the senior Senator from Arkansas [Mr. CLARKE]. I will allow this announcement to stand for the day.

The VICE PRESIDENT. Forty-nine Senators have answered to the roll call. There is a quorum present.

#### AMENDMENT OF THE NATIONAL BANKING LAWS.

Mr. REED. A while ago I announced that I intended to call up Senate bill 6398, proposing an amendment to the Aldrich-Vreeland Act, but I have been asked by a number of Senators to postpone it until 2 o'clock. I will therefore wait until that hour.

#### RIVER AND HARBOR APPROPRIATIONS.

Mr. SIMMONS. I move that the Senate proceed to the consideration of House bill 13811, the river and harbor bill.

The VICE PRESIDENT. That is the unfinished business now. The Chair understands it was only temporarily laid aside, and it comes up of its own motion unless the Senate takes something else.

Mr. SIMMONS. I was led into making the motion through inadvertence, thinking about the morning hour. We have no morning hour.

The VICE PRESIDENT. We have been having a morning hour right along, but not in the regular way.

#### THE COLORADO STRIKE.

Mr. THOMAS. I ask unanimous consent to insert in the RECORD a short editorial from the Washington Post upon the Colorado strike, having reference to the letter submitted yesterday by my colleague [Mr. SHAFROTH] on that subject. It is short and is a matter of public importance.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The matter referred to is as follows:

#### THE COLORADO STRIKE.

It will be a commentary upon their own lack of patriotism if the mine operators and employees in the coal fields of Colorado refuse to accept the President's suggestion for a three years' truce. Other interests have made many sacrifices in the general effort for national harmony at a time when the people of the country must stand together to meet the shock of the European war. The situation in Colorado, bordering on civil war, has become a national, as well as a State menace, and if the interests involved have any regard for the welfare of the country they will bring their strife to a quick end.

When it is realized that the chief obstacle, and almost the sole obstacle, to peace is the refusal of the mine operators to make a contract with the labor unions, as such, and the refusal of the employees to go to work without such a contract, the cause of the dissension appears to be almost trivial. Especially does it seem to be insignificant, and utterly unworthy of sane men, when compared to the bloodshed, poverty, and starvation that have blighted the families of the coal region.

The owners of the mines have not shown a broad spirit in dealing with the problem, and are to be blamed for refusing to arbitrate. It is all very well to say that there is nothing to arbitrate. Perhaps not. But in a crisis of this kind, even the fetich called principle might be moved back a bit to make room for the cause of humanity.

Neither side, however, need sacrifice principle under the plan submitted by the Department of Labor. They can meet upon this common ground, and thus permit the withdrawal of Federal troops and the resumption of business. The wives and children of the district, the wives and children of the union men as well as nonunion men, will breathe a sigh of relief if an end comes to their terrible travail. A blot will be removed from the integrity of the State.

#### THE EUROPEAN WAR.

Mr. WILLIAMS. I ask to have inserted in the RECORD, so that the people who read the RECORD may have it before them, the very eloquent proclamation issued by the President of the United States, calling upon the people of the United States—

The VICE PRESIDENT. That went into the RECORD last night. It appears in this morning's RECORD.

Mr. WILLIAMS. Very well. Now I ask, to show what are the horrors of this war, to insert in the RECORD a clipping from the Washington Post, entitled "Two hundred and fifty million dollars daily cost of the war threatens to beggar all the world." It will show the great evil against which the prayers of the Christian people are requested.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

\$250,000,000 DAILY COST OF THE WAR THREATENS TO BEGGAR ALL THE WORLD.

[Special to the Washington Post.]

NEW YORK, September 8.

Writing in the New York American, B. C. Forbes says: "The war will cost the world not \$50,000,000 a day but upward of \$250,000,000."

"The \$50,000,000 may cover the strictly military expenditures, but a far heavier toll is levied upon international and national trade. The heaviest toll of all, of course, is upon the manhood and parenthood of this generation and the unborn and to-be-born posterity."

"The war's burden is falling upon every country, including our own, notwithstanding that America and Americans are in a position to seize advantage of certain commercial and financial opportunities thrust upon us. There is solid ground, however, for believing that the next peace will contain elements of stability and permanence."

#### "MAD CAREER TO BANKRUPTCY."

"What pass had the armed-to-the-teeth peace of Europe come to before the inevitable upheaval occurred? The principal powers of the Old World were spending \$2,000,000,000 a year on armaments. Think of it!"

"This is more than the total capital that can be raised both at home and abroad for the development of the United States. It is twice America's whole outstanding national debt. It is double the national annual income. It is more than four times the total amount of gold produced throughout the world in a year."

"Europe, in a word, was careering madly toward general bankruptcy. That being the condition before the war, what will a prolonged holocaust entail?"

#### "ALL GERMANY'S TRADE GONE."

"Every dollar's worth of German foreign trade has been annihilated, and if the war continues until the end of this year the German domestic situation from every point of view will be too cruel and shocking to contemplate."

"France, too, is already in pitiable plight, with thousands upon thousands of her people ruined and homeless, with her important foreign trade laid prostrate, with her financial machinery chaotic, and her Government in flight."

"Poor, guiltless Belgium has been laid waste and literally drenched with the blood of her sons, to say nothing of daughters and children."

"Great Britain, too, is undergoing acute financial strain and an industrial depression that all efforts to capture Germany's over-sea markets will not compensate for or relieve. As for ourselves, has not a first 'war tax' of \$100,000,000 been announced already?"



"CAN NOT COMPUTE TOTAL COST."

"But that does not begin to convey any idea of the total cost of the cataclysm or what it will impose upon this country."

"Leaving out of the present reckoning the destruction that can not be computed in dollars and cents—the wiping out of multiplying thousands of the flower of Europe's productive and reproductive manhood, the wrecking and ruining of unnumbered homes, the mortal blow to scientific and social progress, the wanton mutilation of irreplaceable art—leaving all these and a million collateral consequences out of account, the concrete cost, the financial cost of a long war will be appalling to every nation under the sun."

"CRUSHING EFFECT ON AMERICA."

"Every day the war is allowed to last means not only an increase in the price or rental of capital and, as an inevitable corollary, grievous depreciation in the market value of the billions of investments owned by United States insurance companies, our savings institutions, our universities and colleges, our hospitals and other charitable institutions, our banks, our trust companies, estates, and individuals, but also in all probability a substantial increase in railroad rates all over the country as the sole means of averting wholesale transportation bankruptcies."

COAL LANDS IN ALASKA.

The VICE PRESIDENT. The Chair lays before the Senate a bill from the House of Representatives.

The bill (H. R. 14233) to provide for the leasing of the coal lands in the Territory of Alaska, and for other purposes, was read twice by its title.

Mr. WALSH. Will the Senator from North Carolina yield to me for a moment? I desire to say a word in relation to this bill.

Mr. SIMMONS. I will yield a moment, but after that I shall insist on the regular order.

Mr. SMOOT. I will say to the Senator from North Carolina that I should like to hear what the Senator from Montana has to say first. It may not require any answer from me.

Mr. SIMMONS. I do not want it to lead to any debate. I can not yield for that purpose.

Mr. WALSH. I am very sure it will not. I am sure I will not antagonize the Senator from Utah.

Mr. SMITH of Georgia. I do not understand that the object is to take up the measure at this time.

Mr. WALSH. No; I desire to impress on the Senate, if I can, the urgent necessity of taking up the measure some time before the adjournment of the present session.

I desire to say in this connection, Mr. President, that the bill providing for the appropriation of coal lands in Alaska has now passed the House of Representatives. A counterpart of the bill was introduced in this body, was originally referred to the Committee on Mines and Mining, and subsequently transferred to the Committee on Public Lands, which has considered the bill very carefully and has made its report, the bill now being on the calendar.

I desire that this bill shall go likewise to the Committee on Public Lands for its consideration, and I suggest a very speedy report, if possible, from that committee.

I am going to ask the Senator from North Carolina to pardon me further until I read a brief letter from the governor of the Territory of Alaska concerning the necessity of immediate action on this measure. A short time ago I read into the Record a telegram from the chamber of commerce of the city of Cordova expressing the same idea. This letter was read in the House of Representatives during the consideration of the bill.

Mr. SMOOT. Will the Senator yield to me just a moment?

Mr. WALSH. I will.

Mr. SMOOT. I wish merely to say to the Senator from Montana that I do not believe there is a member of the Public Lands Committee who has not full knowledge of the importance of the bill to which he refers; that every member of that committee whom I have heard express himself intends to favor a speedy report of the bill to the Senate; and that every one, I think, hopes that some action will be taken on the bill before the adjournment of Congress.

Mr. WALSH. Mr. President, I appreciate all that the Senator from Utah says; but I was endeavoring to impress the Members of the Senate who are now present this morning with the necessity of taking this matter up whenever the committee shall make its report. The letter of the governor of Alaska is as follows:

TERRITORY OF ALASKA,  
 GOVERNOR'S OFFICE,  
 Juneau, August 13, 1914.

SECRETARY OF THE INTERIOR,  
 Washington, D. C.

SIR: The necessity for the opening of Alaska coal lands for commercial purposes is emphasized by the war conditions now existing in Europe, and the further fact that the people of Alaska are nearly wholly dependent upon British Columbia for their coal supply. The various commercial bodies of this Territory, and the people generally, are a unit in urging upon the Congress the speedy enactment of such legislation as will have for its object the opening of the Alaska coal fields to development on a commercial basis. No specific bill now before the Congress is urged, it being the chief desire of the people of this

Territory to secure such legislation as will permit them to obtain coal, at least for domestic purposes, at home, where a great abundance of it could be mined.

The conditions now being developed because of the war in Europe, and those other conditions which will undoubtedly arise during the progress of the conflict, after its close, together with the readjustment of international affairs and conditions, that is bound to follow, all point to the urgent necessity of securing legislation that will permit the development of our coal resources for domestic and industrial purposes, as well as for the use of the Government of the United States. Should the present war be of long continuance, it is not unlikely that the coal supply which we now receive from British Columbia might be cut off and a condition would inevitably be created that would be well-nigh calamitous.

Respectfully,

J. F. A. STRONG, Governor.

I desire to add, Mr. President, that I do not think the consideration of this measure will consume more than a day, or two days at the most, and I trust that opportunity will be found to take it up.

The VICE PRESIDENT. The bill will be referred to the Committee on Public Lands.

RIVER AND HARBOR APPROPRIATIONS.

Mr. SIMMONS. I call for the regular order.

The VICE PRESIDENT. The regular order being called for—

Mr. THOMPSON. Mr. President—

Mr. SIMMONS. I hope the Senator will not ask me to yield at this time.

Mr. THOMPSON. I simply wish the Senator to yield for a moment on a matter that has already been called to the attention of the Senate this morning. I will be very brief.

Mr. SIMMONS. Later during the day I will yield to the Senator, but just now the Senator from New Hampshire [Mr. GALLINGER] is ready to proceed with his speech. Notice has been given that another matter will be brought up at 2 o'clock, and I think the Senator from New Hampshire ought to have time to finish his speech before the other matter is taken up.

Mr. THOMPSON. Very well; but the measure to which I refer would only take a moment.

The VICE PRESIDENT. The Chair lays before the Senate the unfinished business.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13811) making appropriations for the construction, repairs, and preservation of certain public works on rivers and harbors, and for other purposes.

Mr. GALLINGER. Mr. President, in response to the suggestion of the Senator from North Carolina [Mr. SIMMONS], I wish to say that I shall not promise to conclude my remarks at the hour of 2 o'clock, though I trust I shall not occupy unnecessarily any time of the Senate.

Mr. President, before proceeding to discuss the pending bill, I feel that I ought to emphasize the fact that yesterday, after a struggle occupying precisely one hour, during which time 11 roll calls were had, the Senate succeeded in securing a voting quorum, and that after that 9 or 10 roll calls were necessary before the conference report was agreed to. That surely is not to the credit of the majority side of the Chamber.

I might well add the suggestion that the great reform movement which culminated in a constitutional amendment making the election of Senators subject to popular vote is at least partially responsible for the existing condition in this body. Many of the absent Senators are engaged in looking after their campaigns in their several States, of which we can find no fault, it being a duty which the situation imposes upon them, and which duty I personally ought to have heeded weeks ago, and to which I shall have to respond before long.

This leads me to say, Mr. President, that Senators who have campaigns on their hands may well be excused from attendance on the sessions of the Senate. Men who are contesting with Senators for a seat in this body are on the ground, and inasmuch as those of us who are candidates for reelection are compelled to present ourselves before the people and at least allow them to look at us, it is an arrant injustice to hold Senators here while their seats in this body are in danger of being wrested from them by others who have time to devote to the matter of campaigning.

I have been waiting, Mr. President, three days for an opportunity to address the Senate on the river and harbor bill, and as I have watched the proceedings it has been impressed upon me that Senators on the other side of the Chamber were conducting a quiet and carefully planned filibuster against the bill for the purpose of saving to the Treasury the \$53,000,000 of direct appropriations in the measure so that the unpopular plan to tax the people \$100,000,000 may not have to be resorted to. I trust that my suspicions on that point may become a reality.

I appreciate the fact, Mr. President, that it may appear like an ungracious act on my part to oppose a bill that is evidently



supported by a large majority of the Senate; but notwithstanding that fact I feel it my duty to call the attention of the Senate to what I conceive to be glaring imperfections in the measure which ought to be remedied. I have some knowledge of how bills of this kind are prepared, and while I have given my vote to them in the past it has been with hesitancy and in the hope that the time would come when greater care would be exercised in dealing with appropriations for the rivers and harbors of the country. Manifestly there is no present inclination to effect a reform in that direction, and I know of no better way to bring it about in the future than to criticize frankly and unreservedly the measure that is now under consideration. Indeed, I am indulging the hope that before this debate closes the proponents of the bill will see the propriety of giving it careful and thorough revision, with a view of eliminating from it many of the items which, from my point of view, are utterly indefensible.

The Senator from Ohio [Mr. BURTON] has, with great ability and irrefutable logic, shown the enormity of the measure we are considering, and has pointed out clearly and distinctly the means that we can adopt to cure it of many of its evils. If this bill should be recommitted to the Committee on Commerce, and that committee should take it up without prejudice and with an eye single to the best interests of the people of the country, it would come back here with certainly more than one-half of the appropriations that are now in it stricken out, and then it could be passed in a single hour. Why not do it? Why should we hesitate to perform a patriotic duty in this hour of economic urgency and possible future financial distress?

On a previous occasion the senior Senator from North Carolina [Mr. SIMMONS], mild and genial as he always is, suggested that "cheap political capital" was being sought by some of us and that filibustering on this bill was being carried on. Possibly what I shall say may come under the designation "cheap political capital"; but however that may be, I beg to assure the Senator from North Carolina, in charge of the bill, that I am not engaged in filibustering against the measure. I regret to take the time of the Senate at this stage of the session to discuss anything, but feel it my duty to submit some observations on the bill now under consideration, believing it to be essentially bad in many particulars.

Of late Senators are falling into the habit of asking that no questions should be propounded until they have completed their remarks. I do not ask that; but on the contrary, as I am going to consider the bill very deliberately, I invite interruptions, with a view to having any statement that I may make fairly and fully discussed.

Tremendous pressure for the passage of this bill has been brought to bear upon all of us, one argument being that unless it is passed a large number of men will be thrown out of employment. That is probably so; but even if that happens, no greater suffering will result than is now being experienced in other lines of industry, especially in the industrial States. Probably more than a million men are now out of work in the country. If it is necessary that the Government should appropriate money for rivers and harbors, which might well be dispensed with, why not appropriate money for building roads in the various States, thus giving work to the army of unemployed?

The Philadelphia Inquirer in a recent issue called attention to the necessity for passing the river and harbor bill, but at the same time admitted that there were a great many items in the bill that were utterly indefensible. I quote the words of that great newspaper:

Because of the delay in passing the river and harbor appropriation bill in the Senate many thousands of men are in danger of being thrown out of employment.

These men are engaged in developing works of great merit and of public importance. If the bill fails, they will have to go by October 1.

And this at a time when a theoretical administration has hit the industries of the country a severe blow through its near-free trade law and its general raids upon business expansion.

We are no apologists for the scores of items in the bill which throw away money upon worthless streams and mud flats. The rush for the pork barrel has been as unscrupulous as it has been conspicuous. But is there neither power nor patriotism enough in the Senate to separate the wheat from the chaff?

Can not the transparent theft of the public's money be stopped, the plunderers sidetracked, and the essential projects saved?

It is impossible to hold up such important developments as the channel of the Delaware River without doing immense harm and without adding very much eventually to the estimated cost.

Failure to carry on enterprises that have been entered into under continuing contracts would be destructive, expensive, and wasteful.

Going beyond the position taken by the Philadelphia Inquirer, the Washington Times recently put itself on record as being in favor of the outright defeat of the bill on the ground that it would doubtless lead those preparing such bills in the future to regard the interests of the country rather than to yield to the

importunities of men in public life who want appropriations for their districts. The Times said:

The program of trimming \$20,000,000 off the river and harbor bill and then passing it is not creditable to any of the people backing that measure. Opponents of the pork barrel will do well to withhold approval from any such compromise.

It will not save the \$20,000,000; it will merely postpone the day when it must actually be scraped out of the bottom of the Treasury.

What is needed now is a reform of the system. A pork barrel with only a single slice of pork in it, passed by Congress in a manner that recognizes and continues the old pork system, will be practically just as bad as a \$50,000,000 mess of the fat.

Kill the bill, because it represents a bad system; then reform the system.

River and harbor appropriations make profits for the rings of contractors who get the work to do. They reclaim private property at public expense. They play into the hands of the Water Power Trust. They improve harbors where not a foot of public wharfage is to be found.

They don't bring commerce back to the rivers; the commerce has been and still is leaving the rivers.

All because the whole system has been wrong, persistently and perniciously wrong. Let the system be reorganized. To trim a river and harbor budget to-day and then forget the need of basic reform will be to sacrifice the real benefit of the airing that has been given to this system this year.

That is going further than I am prepared to go, but I believe that all new projects should be abandoned this year and that many items should be dropped from the bill and other appropriations greatly reduced in amount.

In proof of the fact that a vast army of men are now out of employment the country over, I beg to quote from a recent report of the State Employment Bureau of Massachusetts, as follows:

Supt. Walter L. Sears, of the bureau, very conservatively refrains from attributing this exceedingly slack demand for help, a most accurate barometer of general business conditions, to either the Pan-European war, the low tariff adjustments, or to any one single thing.

"I am simply interpreting the cold facts and figures that the work of this bureau records," he says, "when I say that the labor situation, as reflected by our contact with it, is discouraging."

"Yesterday, as a typical day, we had what we term an 'attendance' of 3,000 persons looking for work. To these 3,000 we had a grand total of just 82 jobs to offer."

"The average daily demand by employers for help of all classes for the month of August this year was 52, and the average of 'stars,' or positions to which we actually supplied a successful applicant, was 42 per day."

"For the same month last year we were receiving calls for help from employers at the rate of 82 a day and filling about 70 of these."

"That means that we have been compelled to turn away nearly 1,000 more job seekers during the month just passed than for the same period a year ago."

"In fact, it means that the demand for labor was never so low at this time of year in the history of this bureau, with the exception of the low-water mark following the 1907 panic."

The bureau's records show that the most pronounced depression in business activities, as divined from the labor demand of the respective branches, exists in the machinists' trades, closely followed by that of firemen and engineers. The buildings trades are also exceedingly dull.

"But in spite of all the talk about how that great struggle is going to boom things for this neutral country," continued Supt. Sears, "I am afraid that I can see little hope for any relief in the labor situation that can come out of the murder fest across the Atlantic."

"In fact, I should say that the interruption and disruption, which we know has already been reflected in many industrial branches throughout the United States, would create more idleness in the labor world before it lessened it."

"Understand, I do not say that this department has as yet observed any direct evidence of an increase in unemployment that can be directly laid to the European war situation, but we have the war and we have the lowest labor demand since the panic year."

Mr. President, on the 8th day of April last, during the debate in the Senate regarding the location of the Federal reserve banks, the distinguished and learned Senator from Mississippi [Mr. WILLIAMS] startled his colleagues by making this declaration:

The poor, dear, old, foolish Democratic Party is going through the same game that she can be generally trusted to go through with soon after she gets into power. \* \* \* That is the Democratic Party; that is its history; that is what led old Tom Reed to say in 1894 and 1895 "You can not last long because you are not accustomed to governing anybody or anything; you can not govern the country; you can not even govern yourselves; you are incompetent."

Mr. SMITH of Michigan. Mr. President, I will inquire of the Senator from New Hampshire what Republican made that statement?

Mr. GALLINGER. It was made by the Senator from Mississippi [Mr. WILLIAMS], who is anything but a Republican.

Mr. MARTINE of New Jersey. Mr. President—

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

Mr. GALLINGER. I yield to the Senator from New Jersey.

Mr. MARTINE of New Jersey. I trust the Senator will permit me to say that I think the public and the country generally will admit that we are making a pretty try at it anyway.



Mr. GALLINGER. Well, the Senator from New Jersey must settle that with the Senator from Mississippi. The Senator from Mississippi did not seem to think so on the 8th day of April. Now, I will give the Senator a little more Democratic testimony on that point, which is nearer his own home State. Two days after that declaration of the distinguished Senator from Mississippi, the able Democratic chairman of the Committee on Appropriations of the other House, Mr. FITZGERALD, of New York, spoke as follows:

It may seem somewhat strange, but I hope it is not out of place, to remind Members of this side of the House that the Democratic platform pledged us in favor of economy and to the abolishment of useless offices, but it did not declare, Mr. Chairman, that the party favored economy at the expense of Republicans and the abolition of useless offices in territory represented in this House by Republicans while favoring a different doctrine wherever a Democratic Representative would be affected. In a few months I shall be called upon in the discharge of my official duties to review the record that this Democratic House shall have made in its authorization of the expenditure of the public moneys. Whenever I think of the horrible mess that I shall be called upon to present to the country on behalf of the Democratic Party I am tempted to quit my place. I am looking now at Democrats who seem to take amusement in soliciting votes on the floor of this House to overturn the Committee on Appropriations in its efforts to carry out the pledges of the Democratic platform. They seem to take it to be a huge joke not to obey their platform and to make ridiculous the efforts of the Members of our party who do try to live up to the promises they made to the people. I know that some Members on this side are voting continually for appropriations because they fear the wrath of the public if they do not vote out of the Public Treasury assistance for everything anyone suggests.

This distinguished leader continued:

If I placed my political fortunes above my sworn duty under the law, I would not attempt to carry out the promises of the Democratic platform, but I should place myself at the head of this band of Treasury looters upon every occasion.

We charged the Republicans for 12 years of my service in the House under Republican administrations with being grossly extravagant and reckless in the expenditure of the public money. I believed that charge to be true. I believed that my party, when placed in power, would demonstrate that the charges we had made in good faith were true. We are entitled to the help and to the support of the Members on this side of the House in honest efforts to carry out the pledges of the Democratic Party and in our attempts to show that what we charged in order to get in power was true. We have not had that support. Our Democratic colleagues have not given that support to us thus far during this session of Congress. They have voted against recommendations they should not have voted against; they have unnecessarily piled up the public expenditures until the Democratic Party is becoming the laughingstock of the country.

I appeal to them now, before it is too late; I appeal to them now, before we have gone beyond recall, to stop the conduct of which they have been guilty. Do not continue to vote for these improper and improvident appropriations. Those who propose to continue to do so should at least have the courage openly to assert upon the floor of this House that they believe that the professions of the Democratic Party have not been made in good faith, that they can not be carried out, and that we are not entitled to power because of these professions.

What does my friend from New Jersey say to that Democratic utterance?

Mr. MARTINE of New Jersey. I wish to say that all the members of the Democratic Party do not necessarily subscribe to everything the leader in the House may say. I think he is a man generally of infinite good judgment, but that he may err and that he has erred in some of his assertions I also insist.

Mr. GALLINGER. Does the Senator think he told the truth or not in the statement I have just read?

Mr. MARTINE of New Jersey. Well, he told the truth in part, but he has been a little wholesale in some other directions.

Mr. GALLINGER. Mr. President, again the Senator from New Jersey must square his account with the distinguished statesman from New York who has been at the head of the great Committee on Appropriations of the other House for a number of years, and whose courage, integrity, and fidelity to duty, so far as I know, never have been questioned.

Mr. THOMAS. Mr. President—

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

Mr. GALLINGER. I yield to the Senator.

Mr. THOMAS. The quotation from the remarks of the chairman of the Committee on Appropriations of the House seems to me to be well founded. It states a condition which I do not think we should either palliate or deny. For my part I am disappointed with the evidence of a disposition to stretch appropriations unduly, but I have noticed no attempt on the part of the minority, either in this or in the other House, to insist upon economy. On the contrary, the bill which is now under consideration, and which is the occasion of the Senator's very able speech, finds just as much support upon the Republican side as upon the Democratic side of the Chamber; and I know of pending measures which will involve the appropriation of millions the enactment of which Republicans, in common with Democrats, are very anxious to pass before we adjourn.

Let me say, too, while I am on my feet, that the people themselves are primarily to blame for these enormous appropri-

tions. Unfortunately I am unable to perceive any desire for economy from the people of the United States. One distinguished Senator remarked to me some time ago that I was entirely in error in believing that the people wanted economy; and he attempted to justify his statement, and I think he justified it by calling attention to certain demands of my own constituency which were similar to those that come and clamor at the halls of Congress from every district in the country.

Mr. President, these extravagant appropriations are largely the outgrowth of a public demand. People all over the country are clamoring for wholesale appropriations; for example, for the construction of highways and for other methods of internal improvement. The difficulty is that all the people of the country are coming more and more to rely upon national legislation and less and less upon State legislation; to assume that the Treasury of the United States is a vast reservoir of capital from which they are all entitled to draw, and that the more that is obtained from the National Treasury the less will be taxation at home, and the less the necessity for drafts upon the local treasury.

We are getting further and further away from the good old English and American doctrine of local self-government, and more and more to rely upon the National Government for everything. That is evident at present in the numerous—I might say innumerable—petitions and requests which Senators and Representatives receive from their different constituencies, imploring the aid of the National Government to ward off, or at least to minimize, the effects of the European war upon their individual business.

So, while the Democratic Party, now in power, is primarily responsible for extravagant appropriations, it is equally true that Republicans feel the weight and influence of their constituencies, and that they are combining—and I say it, of course, without meaning the slightest disrespect—with Democrats to secure appropriations and to add to the general expenditures of the country; but what is worse, behind them are many of the people. The people primarily are responsible for these enormous appropriations; and whenever public opinion, which represents public sentiment and which speaks for the country, declares that this shall be no longer, then and not until then, in my judgment, will there be a limit to these extravagant appropriations.

I thank the Senator from New Hampshire for his courtesy.

Mr. KENYON. Mr. President—

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

Mr. GALLINGER. I do.

Mr. KENYON. I desire to ask the Senator from Colorado if this is not true, and I agree with the thought he suggests.

The people accept, in a way, party platforms, and the platforms of all political parties declare for economy. Then they do not carefully distinguish what expenditures are necessary and what are economical and what are not; but they accept the party platforms, and the party goes into power, and they do not think about it any more. They do not give any thought or consideration to how the public money is spent.

Mr. THOMAS. I think that is true; but they do give thought and consideration to appropriations that come to their localities and in which they are interested.

Mr. KENYON. Exactly.

Mr. THOMAS. Every congressional district in which there is a questionable item in this bill wants to see that particular item enacted into law, and so far as economy is concerned, the people of that district are for economy with that particular item excepted. Multiply that by 35 or 40 States, and you get the river and harbor bill. Every community in the United States that has 500 or more people wants a Federal building, and they insist that their Representatives and their Senators shall get it for them.

Mr. KENYON. And has not this sentiment grown up, which is an unfortunate sentiment—that "other States and other districts are getting certain appropriations, and consequently we should have those appropriations for our district"?

Mr. THOMAS. Certainly. In other words, there is a feeling that the Treasury is being raided, and that every district must get its proportion; and that if the Representative of each district and the Senators from each State do not get their proportion of it, they are regarded as unfaithful to the interests of which they have charge at Washington.

Mr. KENYON. It has been stated on this floor in past river and harbor discussions, before the Senator from Colorado was a Member of this body and before I was, that "we want our share of this"; and that is the principle that unfortunately has actuated a good many people in making the appropriations.



Mr. THOMAS. They not only want it, but many of them demand it; and hence, I say, is this extravagance in the administration of national affairs.

Mr. BURTON. Mr. President, may I interrupt the Senator from New Hampshire for a moment?

Mr. GALLINGER. I yield to the Senator from Ohio.

Mr. KENYON. The Senator invited interruptions.

Mr. GALLINGER. I have invited interruptions, and I shall be delighted to yield to any Senator on either side of the Chamber.

Mr. THOMAS. It was in consequence of that invitation that I presumed to interrupt the Senator.

Mr. BURTON. Undoubtedly a discussion of the question of economy will be wholesome at this time. The tendency is certainly toward extravagance in National, State, and municipal expenditure. In one thing I can agree with the Senator from Colorado, and that is that there is an increasing disposition to call upon the National Government for the prosecution of enterprises which belong to States and subdivisions of States.

The causes are not far to seek. Many of our municipalities, and even States, have exercised the taxing capacity to the very limit. They feel that improvements are desired; but their own resources, by taxation and otherwise, even by the issuance of bonds, have been exhausted. That disposition is reinforced by the fact that national taxation is so much less felt by the people. The burden is also inappreciable. That is particularly the case with indirect taxation, duties upon imports; and thus there is a disposition all over the country to regard whatever expenditures may be made in a locality from the Federal Treasury as just so much pure gain.

We have that to contend with at the very start. I can not, however, agree with my friend the Senator from Colorado in the rest of what he said, that the fault is so largely with the people. In the first place, it is for the Senate and Congress to lead rather than to follow in the disposition of a great question like this. If there are unwholesome tendencies, we should not yield to them; we should resist them, and I can not believe that the great body of the people are demanding extravagant expenditures.

To whom should we listen; to those who are noisiest, most insistent, and most selfish, or to the average American citizen, who still believes in frugality in the control of the public purse, and thousands of whom voted the Democratic ticket because they believed that the protestations in the Democratic platform would be observed in the policies of that party? Must we listen to the contractors, must we listen to those who are seeking for lavish appropriations, and to those who are seeking public expenditures for private benefit, or to that sadder sentiment which is cherished by the people who are still ruled by patriotic impulses and a desire for the general good?

I might relate here. I may almost say by the hour, instances in which Congressmen have stood up against unreasonable demands for appropriations for the benefit of their own localities, when, instead of retribution being visited upon them, they have received approval, and have been returned by increased majorities. Indeed, Mr. President, I do not believe there is any issue that would give greater strength to a candidate than that of resisting extravagant appropriations, even for the locality or district or State he represents. The people of the United States do not expect their representatives to be holding out the hand to grab from the Treasury. They expect them to perform patriotic service for the public weal, and it is by this criterion that they will judge them, rather than by their success in obtaining largesses from the Treasury.

Mr. THOMAS. Mr. President, I do not believe the public demand extravagant appropriations upon any theory that extravagance exists. A locality which wants an appropriation, for example, for some local subject, and which, of course, is expressed in the sum necessary for that purpose, is isolated in that section of the public view from the general mass of appropriations which go to make up the aggregate. They are not extravagantly minded, Mr. President, because they demand this thing, but, of course, it is due to the point of view; and they lose sight of the fact that many other localities of the country are similarly minded and desire similar appropriations. Naturally, segregating from all other considerations that which is important to them, they feel justified in insisting that the amount shall be secured for what is, in their opinion, an absolutely indispensable public improvement or purpose which ought to be assumed by the National Treasury. Hence the extravagance of which I speak is the result of these detailed demands, which in combination come here in the shape of rivers and harbors bills and other omnibus bills representing various items.

If the Senator will pardon one other remark, I will promise not to interrupt him again.

Mr. GALLINGER. The Senator will be at liberty to interrupt me as often as he wishes.

Mr. THOMAS. I understand that, and I appreciate it.

Mr. President, there is pending before this body in one of the committees—the Committee on the Judiciary, I think—a proposed amendment to the Constitution, which was introduced by the senior Senator from Minnesota [Mr. NELSON], and which is designed to give the President of the United States the power which the executive of my State has, and which I think the executives of a majority of States have—the power of vetoing specific items in appropriation bills; a power which the President of the United States does not have, but which he should possess. To my mind, the way in which to meet this difficulty and to put an end forever to these omnibus bills containing many items which upon their merits would not even be presented for our consideration is to arm the President of the United States with the power to veto specific items in these measures. When that is done, Mr. President, various items such as are complained of in this bill as being improper or as being unnecessary, although we pass them, would not run the gantlet of presidential approval, but would, I think, be eliminated from the bill. One of the first things we should do would be to report out that proposed amendment to the Constitution of the United States and adopt it, so far as the Senate is concerned, and send it to the House for their approval. When that becomes a part of the Constitution of the United States the day of the omnibus bill, with all sorts of appropriations, will belong to the past.

Mr. BURTON. Will the Senator from New Hampshire yield to me?

Mr. GALLINGER. I yield to the Senator from Ohio.

Mr. BURTON. I cordially agree with the Senator from Colorado that it would be very desirable to adopt this constitutional amendment and I hope that the requisite majority may be obtained in the House and Senate and that a sufficient number of States may ratify it. When the Constitution was framed it was not necessary to have such an authority vested in the President because the appropriations were comparatively simple.

Mr. THOMAS. An omnibus bill was not foreseen.

Mr. BURTON. As the Senator from Colorado suggests, such a measure as an omnibus appropriation bill was not thought of. The first appropriation bill of September 20, 1789, contained only 12½ lines. Later appropriation bills contained but a few pages, and referred to candles burnt in the Treasury Department and to firewood, as well as details which now seem to us ridiculous.

Mr. GALLINGER. Mr. President, I will ask the Senator whether or not I am correctly informed that a mirror which now hangs in the room of the Vice President, or did a while ago, costing between \$40 and \$50, in the early days of the Republic was made the subject of a congressional investigation on the ground that it was a wasteful expenditure of public money?

Mr. BURTON. My attention had never been called to that, but certainly it would be in accordance with the spirit of simplicity and economy of the time.

Now, with the growth of the country and the greater complications of modern life and the very greatly enlarged activity of the Government, the omnibus bill has come to be necessary. Many—I think a majority—of the States have inserted provisions in their constitutions giving the executive the right to veto specific items. But, while approving this plan, I can not omit to point out one disadvantage which would occur, and that is the lessened responsibility of the legislative branch of the Government. It would be said of many items, "Oh, let it go through; the President will veto that," and that opposition which otherwise would be strenuous and effective would be lacking.

In any event, do not let us overlook the fact that it is not best for us to pass up the question to the executive department; but the responsibility rests with ourselves, and we should face it courageously and honestly and with a full regard for considerations of economy and the general welfare.

Mr. GALLINGER. Mr. President, the interruptions, to which I have very gladly yielded, have been illuminating and helpful to me in the discussion of the question that is now before the Senate.

The able and genial Senator from Colorado [Mr. THOMAS] called attention to some points that ought not to be lost sight of. First in order is his suggestion that we ought to have the resolution proposing an amendment to the Constitution, submitted by the Senator from Minnesota [Mr. CLAPP], reported out and passed upon by the Senate. I agree to that. I think,



just as the Senator from Colorado has said, that is possibly the only weapon we will ever have in our hands to get rid of items of appropriation that are wasteful and unnecessary. I do not, however, agree with the Senator from Colorado when he says that the Republican Senators are equally responsible with the Democratic Senators, especially for this bill.

Mr. THOMAS. Mr. President, I do not think I made that statement.

Mr. GALLINGER. I so understood the Senator.

Mr. THOMAS. The thought I had in mind was not that the Republican Members of the Senate were responsible for this measure, or for any other measure, but that I had observed no evidences of an economic spirit on the other side. Certainly I would not charge the minority party with the responsibility for this or any other important measure now pending before Congress and for which a majority must be responsible.

Mr. GALLINGER. Applying the matter of economy to this particular bill, I want to express the hope that as large a number of Senators on the other side as there will be on this side of the Chamber will raise their voices in protest against this legislation; and I want to express the further hope that as large a number of Senators on the other side of the Chamber will vote against the bill as will cast such a vote on this side of the Chamber.

Mr. KENYON. Mr. President, the Senator has quoted the distinguished Senator from Mississippi [Mr. WILLIAMS], who is now in the room. I call the Senator's attention to what was said by that same distinguished Senator on the 3d of September, 1914, in the RECORD on page 14668. Referring to this river and harbor bill and the suggestion of the Senator from Michigan [Mr. SMITH], the Senator from Mississippi said:

That is part of the Democratic program.

Referring to this bill. So, if this is a part of the Democratic program—and I suppose the Senator from Mississippi is entitled to speak as well as anyone on that subject—the responsibility can not be with the minority.

Mr. SIMMONS. Mr. President—

Mr. GALLINGER. The circle is being enlarged. I yield to the Senator from North Carolina.

Mr. SIMMONS. I simply want to call the attention of the Senator from New Hampshire to the fact that while, of course, the majority party is, in a sense, responsible for legislation, in measures of this sort, that are not strictly political measures, the responsibility rests in a very real sense upon both sides of the Chamber. In the committee which framed this bill the Republican members, with one exception, were as heartily in favor of the bill and all the items in the bill as the Democratic Senators on that committee. In other words, the bill came out of the committee without any opposition and with the approval of all the members of the committee, both Democratic and Republican, with the exception of the Senator from Ohio [Mr. BURTON]. I think.

Mr. GALLINGER. Mr. President, I do not—

Mr. SIMMONS. If the Senator will pardon me a moment further—

Mr. GALLINGER. Certainly.

Mr. SIMMONS. I do not know how many Senators on the other side of the Chamber are against the bill, but I do know that a considerable number of them are as heartily in favor of the bill as anyone on this side. I do not know how many on this side are opposed to the bill, although I know there are some.

Mr. GALLINGER. Mr. President, the assurance of the Senator from North Carolina that some Democratic Senators are opposed to the bill is encouraging. I would not be willing to be understood as attempting to make this a political issue. I have no such thought in my mind, and I am not going to indulge in that line of discussion. The fact that there was one Republican Senator in the Committee on Commerce who was opposed to reporting the bill out is gratifying, because it shows that we stand a little better on this side of the Chamber in our opposition to the bill so far as the committee is concerned than do our friends on the other side. But the test will come in the debate. We will hear the voice of Senators on this side in strong and emphatic opposition to the bill. I wonder how many voices clear and distinct and unequivocal we shall hear from the other side of the Chamber arguing along the same line.

Returning, Mr. President, to the quotations that I ventured to make from a speech delivered in another body by a very distinguished Democrat, in which he called attention—

Mr. SIMMONS. If the Senator will pardon me one minute more, I wish to make this observation.

Mr. GALLINGER. Certainly.

Mr. SIMMONS. If I were going to make any political statement about this matter, I would venture this statement: If this bill is defeated, if there is no river and harbor legislation during the present session of Congress, the responsibility for the defeat of the bill and the responsibility for no river and harbor legislation, I think, will rest upon the Republican Party, and if the Republican Party can get any political capital out of preventing the passage of a river and harbor bill at this session of Congress, I for one am willing that they shall have it.

Mr. GALLINGER. Now, the Senator from North Carolina, as is his custom—and he is apparently unable to keep away from that line of discussion—is endeavoring to make this a political issue. Some of us are willing to take the responsibility of at least improving the bill, and some of us are prepared to take the responsibility, if necessary, of voting against the bill as an entirety. But that will not commit the Republican Party to the improvement of the bill or the defeat of the bill, whichever may happen, and perhaps neither will happen. So I say I think we would better avoid undertaking to make this a party issue. The vote will disclose whether or not this side of the Chamber is for economy in this particular appropriation bill or whether the other side of the Chamber outruns us in the matter of economy.

Mr. CLAPP. Mr. President—

Mr. GALLINGER. I yield to the Senator from Minnesota.

Mr. CLAPP. I am somewhat interested in the discussion at this stage. I had always supposed that in a legislative body or anywhere else where a man had a decisive voice with reference to policies if there was extravagance those who voted for the extravagant measure were responsible for it; that if there was virtue in legislation, those who voted for it were responsible; that if there was viciousness in legislation, those who voted for it were responsible. It strikes me in my fundamental way that if this bill is defeated neither the Democratic Party nor any other party would be responsible, but the Senators who defeat the bill will be responsible.

I think, Mr. President, we are suffering in this country too much from this talk all the time about party, party policies, and party programs. We are here as the Members of the Senate, without any regard to the river and harbor bill; but with reference to all legislation our first duty is as Senators. This idea that things must be put through or things must be defeated because one or two men who happen temporarily to be where they can be called the leaders of a party say so to my mind is obnoxious and obnoxious to my theory of free government.

So let us stop that phase of this discussion and recognize that the men who vote for a thing, no matter what their political affiliations may be, are responsible for that thing.

Now, if the Senator will pardon me one moment more—

Mr. GALLINGER. The Senator can take all the time he wants.

Mr. CLAPP. Of course, no Senator can relieve himself of responsibility because some one else may desire a particular legislative policy or be opposed to it. But human nature is human nature, and in free government the sooner it is recognized, from President down, that every citizen must take his share of the responsibility the better it will be for all. We have grown in this country too much to lean upon and turn to the Federal Government. Since this so-called war tax—heaven knows where they got the title "war tax" from, but that term has been employed—and since this discussion of an additional tax has come about I have received scores and scores of letters from men who say, "Do not tax me," but not one letter yet saying, "Do not tax us." There is not a suggestion, sir, of the absolute want of necessity for this additional taxation, but everyone says, "Do not tax me, whatever you do." In the letters that I receive discussing the relation of bonds or a direct tax not one single suggestion yet has come of the want of necessity for the additional tax, the necessity for which could be removed by economy. A hundred million dollars would be a bagatelle in an economic administration of the Government under the present administration or past administrations.

The idea that with the great volume of our expenditures we have got to either issue bonds or tax for the bagatelle of \$100,000,000 would be considered, it seems to me, a startling proposition if the American people would only recognize that \$100,000,000 could easily be saved in the administration of this great Government. There is not one suggestion, from President down, of saving \$100,000,000, but on every hand the question is discussed, Is it better that we should tax our children with a burden that we leave upon them, or should we pay this additional \$100,000,000 at this time?



No, Mr. President, we yield too readily to the constant suggestion of shifting the burden of responsibility over on some one else. When the American people will once wake up and recognize that every dollar that is wrung from the Federal Treasury must first in some way, direct or indirect, be wrung from the pocket of the taxpayer it will be very much easier for Representatives and Senators to stand against this wild and unjustifiable extravagance.

I thank the Senator from New Hampshire for permission for this interruption. As it has already been remarked, he has invited interruption, and it seemed to me this was a very proper place to make these remarks.

Mr. LEWIS. Mr. President—

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

Mr. GALLINGER. With pleasure to my friend from Illinois.

Mr. LEWIS. Since the the genial Senator from New Hampshire finds it agreeable to have his speech mosaiced by jewels contributed here and there from senatorial lapidaries of speech I can not refrain from an introduction of a pebble—

Mr. GALLINGER. I hope the Senator will not forget to put "the rose" on the point of the spear before he gets through.

Mr. CLAPP. The rose will appear.

Mr. LEWIS. I will say to my friend in my present mood I have no desire to level a spear against him. His gentle charity and kindness would prevent anything sharp from me this morning.

I was attracted by the observation of the Senator from Minnesota [Mr. CLAPP]; so much so that I felt that I might be pardoned if I likewise be permitted to drop a thought that busies itself in my mind.

The Senator from New Hampshire [Mr. GALLINGER], if I gather the tenor of his remarks, addressed himself to the idea that the present Democratic administration is recklessly plunging into extravagance and ruthlessly laying hands upon the treasure of the people, and indiscriminately, without wisdom and justice, applying it to private needs of different localities.

Now, there may be and doubtless is cause for some criticism as to some items of this river and harbor bill. But the same must be said of nearly every general appropriation bill.

The point I wish to suggest first is that I think it would be justice to have it pointed out that in these methods of appropriations, particularly as to the river and harbor bill, the officers of our Government—the administrative officers, the Government engineers, who are not partisans, either Democratic or Republican—first make the examination as to the availability of these projects, then as to the practicability of the proposed improvement, and on all these make recommendations to Congress concerning them.

These recommendations go to the Committee on Commerce in the Senate and the committee responds to them. Therefore I am inclined to the idea that it is but justice to the Senators and Representatives to point out the fact that if errors have been made to such an extent as able Senators say have been made for some time, it must be charged, to a very great extent, to those to whose keeping the matter of investigation has been reposed and in whose capacity and ability there has been confided the hope that they would not misguide this body.

It is an impossibility—and I ask the able Senator from New Hampshire for his views upon this later when he comes to consider it in the fullness of his address—I say it is an impossibility for Senators to be advised of all of the respective merits or demerits of these enterprises. They live far from them, they must take the recommendations of some one, and such recommendations, as I understand, come from the officers of the Government to whom has been committed that duty. That being so, I was interested in hearing the Senator from Ohio [Mr. BURTON] call attention to the fact that he had yielded upon one or two occasions to recommendations from the departments afterwards to find that their recommendations had been founded upon misinformation.

But, Mr. President, I am impressed with the thought as follows: In what way are we to be guided, if not by these agencies which have been created to guide us with their intelligence, their specific knowledge, and their particular accuracy along scientific development? From whom shall we take the direction? Then, when these directions come to us stating that certain portions of the country are in need of development for the benefit of commerce, shall we assume, without knowledge on our own part in any wise whatever, without any personal investigation from any source, to override and overrule those whose particular duties are to investigate and whose qualifications graduate them to an accuracy where we are supposed to receive advice and guidance from them? I do not know what step we

could take. I am interested in the fact that if these extravagances have continued, they ought to cease; but I am at a loss to understand in what way we shall be guided unless we shall be guided by these nonpartisan officials whose particular science and capacity afford them opportunities and whose positions impose upon them the duty to truthfully and righteously instruct us.

Mr. CLAPP. Will the Senator from New Hampshire yield to me a moment?

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

Mr. GALLINGER. I yield to the Senator.

Mr. CLAPP. At this point, I wish to say that I think we should be guided just as the directorate of a business concern should be guided. No railroad company in America could last any length of time if it permitted the head of each department to come and say how much was needed for that department, but they have a certain supposed revenue; they parcel out that revenue, so much for betterment, so much for construction, so much for this and for that. Here in Congress the trouble is there is no such system.

Some years ago, after several years of constant talk with Senator Aldrich of Rhode Island—I may as well call him by name—I finally prevailed upon him to appoint a committee that should consist of the chairman of the committees that handled appropriations, to the end that that committee might say, "We have so much to spend; so much for the Army, so much for the Navy, so much for Indian affairs, and so much for the other different purposes," so that the chairman of each committee, as the members of his committee began to overslough him with proposed appropriations, could say, "Gentlemen, I am sorry, but we are only allowed so much, and if any more is put on the appropriation it will go off on the floor." Mr. Aldrich finally consented to that plan. He appointed the committee; we had one meeting; and what was done? Instead of that committee sitting down and saying, "We have a billion dollars; we can allow so much for this and so much for that," it was immediately again divided into small committees. At that time I was chairman of the Committee on Indian Affairs. I was put on the subcommittee with two other Senators. The result was that I had nothing as a bulwark when it came to deal with appropriations.

I know the Senator's interest will lead him to pardon this interruption; but I will say I believe if there could be a committee composed of Members of both Houses, the chairmen of the various appropriations committees, and they could take up this subject—take our estimated revenue and say, "We can allow so much for this and for that"—that it would go far toward holding down the appropriations.

Mr. LEWIS. Mr. President, the continued indulgence of the able Senator from New Hampshire [Mr. GALLINGER] licenses me for a moment to reflect upon the utterances of the Senator from Minnesota [Mr. CLAPP]. I recall that the history of the proceeding to which the Senator from Minnesota alludes has recorded that Senator Aldrich upon investigation reported that \$300,000,000 a year could be saved to this Government by a process of economies properly administered.

Mr. GALLINGER. The Senator will also recall the fact that former Senator Aldrich suggested that that economy could be reached, provided the business of the Government was conducted as private business is conducted, and that the men conducting it should have a free hand.

Mr. LEWIS. Mr. President, the able Senator from New Hampshire therefore suggests by his observation, timely interposed, a thought—and I am speaking in response to the intimation within me that justice be done to all concerned—the trouble about the matter is that the Democratic administration has just come into power; it has not had two years of existence; it has had but 18 months' administration. It is an impossibility, Mr. President, on the theory of conducting the public business as one does private business within that length of time to have taken all the proceedings of the past Government and revolutionized them; to have considered every instrumentality and change it, and to have taken every course under analysis and reversed it, in order that we may bring about those conditions which able Senators say we must come to if we shall save the Government from the continuing inroads upon the Treasury under the guise of appropriations. These processes which Senators condemn, and I am passing no judgment upon the virtue of the condemnation or the wisdom of it, did not begin with us, the Democratic administration; they began with years past. We are as one who is called to take a vehicle that is in progress. We can not stay its course without sudden reversion. These things having been begun, having been recommended, being a system that is already in vogue, one of two things is



apparent. We either must stop them completely, cut them off, end them as branches of the service of the Government, creating a paralysis in affairs, or we must do as the administration has been compelled to do—recognize them as going concerns; join in the system that we found until we have time to make such investigation as will enable us to change the system for the betterment of the Government. Until that is done, I am unable to see how the Democratic administration in so short a time could step into and remedy these evils which have been put upon us by previous administrations as a direct system of government inaugurated by our predecessors. I thank the Senator from New Hampshire for allowing me to interpolate this observation.

Mr. GALLINGER. Mr. President, the Senator from Minnesota [Mr. CLAPP], in his usual philosophical and able way, analyzed the situation very carefully in the observations he made during the first interruption. In my judgment, there is a remedy for this condition of things, and we are individually responsible, whether we are Democrats or Republicans. I desire to repeat what I have already stated—that in this discussion I have no disposition whatever to indulge in partisan argument. I think it is a time when we should look at this matter with great seriousness and without reference to our political views.

The Senator from Illinois [Mr. LEWIS], always fair-minded, sometimes a little severe in criticism, but never failing to entertain the Senate, suggests that this difficulty dates back of the present administration; and we all agree with him in the correctness of that statement; but there is one other view to take of it of which we ought not to lose sight, and that is the solemn promise for economy which the Democratic Party made in its national platform, which it has not kept.

Now, Mr. President, I go back to the point where I was interrupted while reading an extract from the speech of the very able Democrat who presides over the great Committee on Appropriations of another body, and in doing that I want to call attention to what the Senator from Utah [Mr. SMOOT], one of the most industrious and accurate Senators of this body, told us a few days ago. His statement has not been contradicted, although I believe a suggestion was made by a Senator on the other side that at the proper time a different story might be told to the Senate, and we are all waiting to have that information conveyed to us. The Senator from Utah said that the appropriations for the present session of Congress would be between \$1,180,000,000 and \$1,200,000,000, the largest in the history of the Government. That is a most startling fact, conclusively showing that the party in power has been regardless of its promise to the people to practice economy in the expenditure of the public money.

We all remember the time when the cry arose from our Democratic friends that we had a billion-dollar Congress. It was a startling cry at the time, but Speaker Reed countered on that suggestion by saying that we had a billion-dollar country. Beyond a question the growth of the country and the added demands upon Congress for money to carry on the diversified and great affairs of this Nation of ours make increased appropriations necessary, and it may be that in the year 1914 the country has so grown and the demands have been so great that there ought to be a little more money expended than there was one year or two years ago; but if it be true, as the Senator from Utah has stated it to be true—and he left out of his calculation a great many items of appropriation that are yet to be made by this Congress; I think he did not include the appropriations carried by this bill—

Mr. SMOOT. They were included.

Mr. GALLINGER. The Senator says he did include those, but he did not include two omnibus claim bills, I think, which are to be considered sooner or later by the Senate and which I suppose will pass and become laws, and many other matters that will develop as we go along, because we find more demands made upon us for legislation almost every day during these troublous times, and it goes without the saying that the maximum amount named by the Senator from Utah of \$1,200,000,000 will be reached before this session of Congress terminates. In the face of that situation, Mr. President, what do we find? On Friday last the President of the United States summoned the two Houses of Congress together to tell them that \$100,000,000 more of revenue must be raised to meet the current expenses of the Government, and almost before the words have ceased to sound in our ears we are continuing the consideration of a river and harbor bill which calls for an expenditure, direct and indirect, of almost an equal amount to that which the President says must be raised by putting an additional burden of taxation on the people of the country.

The President said that we are not responsible for the deficit in the revenues of the Government, which is now being piled

up at the rate of over \$1,000,000 a month, attributing it to conditions in Europe, but I assert without fear of contradiction that had it not been for the radical changes made in the tariff laws by the present Congress and had the economy that was promised in the Democratic platform been even partially practiced the deficit would have been almost negligible. However, the money is to be raised, the people are to be further taxed to that amount, and while the money is being gathered into the Treasury we are expected to vote out of the Treasury \$53,000,000, with an added obligation of forty-odd millions more, largely for the improvement of streams which ought not to be improved and which at best can well wait until the matter is more maturely considered.

Mr. SMITH of Michigan. Mr. President—

Mr. GALLINGER. I yield to the Senator.

Mr. SMITH of Michigan. Mr. President, in connection with the President's statement that the Democratic administration is not at all responsible for the apparent deficit, a very hasty examination, but I think an accurate one, discloses the fact that in the 11 months of the Underwood tariff law the importations under the free list exceed by \$140,000,000 the importations under the free list of the Payne-Aldrich bill in the last 11 months of that act; in other words, they literally threw down the barriers and invited the Europeans to poach upon our industrial market. The Europeans accepted the generous invitation of the administration, and, as I have said, \$140,000,000 worth of European goods entered our ports during the last 11 months free of duty in excess of the free importations of the previous 11 months of the Republican tariff law.

Mr. THOMAS. Mr. President—

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

Mr. GALLINGER. I yield to the Senator from Colorado.

Mr. THOMAS. Mr. President, the fact is that of the importations during the period mentioned by the Senator from Michigan the importations of European manufactured goods were practically in amount and value those of the preceding period of time.

Mr. SMITH of Michigan. But the administration is lamenting in a formal statement to both Houses of Congress within the last six days that our importations have been so slight that we have not been able to collect revenue enough to run the Government. If it has come to the point where we have to throw our doors wide open, not only take the roof off but the front and rear doors of our customhouses, in order to let the handiwork of European genius enter into competition with that of our own citizens before we can have money enough to run the Government, we have come to a pretty pass.

Mr. THOMAS. Mr. President, the importations are not only slight at the present time, but they have largely ceased to exist from the countries affected by the war. So we have at present a perfect system of high protection.

Mr. SMITH of Michigan. You did not intend to have it.

Mr. THOMAS. If protection is a good thing in part, it must be a good thing as an entirety, and the country now is enjoying for the first time in its history a period of absolute protection. The wall is so high—

Mr. GALLINGER. That is surely not accurate.

Mr. THOMAS. Created by the conflict in Europe, that goods can not get over it at all.

Mr. SMITH of Michigan. Oh, Mr. President—

Mr. THOMAS. The advocates of high protection are now enjoying for the first time in the history of this country the operation of a prohibitory tariff.

Mr. SMITH of Michigan. Oh, Mr. President—

Mr. THOMAS. They ought to be satisfied and they ought to be happy. They have always declared that protection was a good thing. Well, you can not have too much of a good thing, and now you have the whole thing; why do you complain? There are no imports from the war-inflicted countries at the present time. The period of Elysian perfection in protection is at hand, and still our friends are not happy.

Mr. SMITH of Michigan. If the statement of the Senator from Colorado is correct, why are our Democratic friends pluming themselves upon the redemption of their promises from early morning until late at night? You declared in your Baltimore convention that our tariff law was not an appropriate statute for this country. You declared in your Baltimore convention that the bars must come down; and day after day you plume yourselves upon the redemption of your pledges, and still you say to us that the protective system is intact, just as you found it when you assumed control of the Government.

Mr. THOMAS. Oh, Mr. President, we plume ourselves upon legislation that we agreed to give to the people. Thank God, we have redeemed some of our pledges. We never promised



the people free trade. The Senator knows that. We promised them a tariff system that would produce revenue, and we reduced the tariff to a revenue basis.

Mr. SMITH of Michigan. Why, I am standing beside a free trader now. The Senator from Mississippi [Mr. WILLIAMS], right here at my elbow, is a free trader. He thinks you have gone part of the distance, and he would like to have you go the balance of the way.

Mr. WILLIAMS. Mr. President—

Mr. THOMAS. Mr. President, I have been trying to make a statement, and I can not make it when I am constantly interrupted.

Mr. WILLIAMS. After this violent onslaught, I think I ought to have the floor for a moment.

Mr. THOMAS. I am not responsible for the views of my genial friend from Mississippi.

Mr. WILLIAMS. And the Senator from Colorado is not responsible for the views attributed to me by the Senator from Michigan, either.

Mr. THOMAS. Why, certainly not; neither am I responsible for the views of my genial friend the Senator from Michigan.

Mr. President, let me finish my statement. The Democratic Party has reduced the tariff upon many articles and has placed many articles upon the free list. Yet we have to-day, with the exception of Russia, and notwithstanding that fact, the highest tariff law of any civilized nation. We have been boasting—and boasting, I think, with perfect propriety—of the operation of that law, which up to this time has not had a fair trial. It could not have had in the short period of time between its enactment and the outbreak of the European war.

I do not believe even the Senator from Michigan will hold the Democratic Party responsible for the outbreak of the European war. It is barely possible that that is one of the consequences of tariff reduction, but "I am from Missouri." Mr. President, the effect of that war, as I stated, is to create, by the strong arm of conflict, prohibitory tariff for the time being, with the consequence that we are not obtaining much revenue from that source. While, of course, I would not charge my Republican friends with feeling any less degree of horror than myself over that conflict; yet it seems to me that they can enjoy, as one of the inevitable consequences of that war, the operation of an ideal system of protection, with a wall so high that nothing can get over it, and therefore we have in operation here, as one of the consequences of the greatest conflict the world ever saw the American protective system in full operation.

Mr. SMOOT. Mr. President—

Mr. GALLINGER. Mr. President, the Senator from Colorado, in his exuberance, has gone too far in saying that we have not any revenue from importations at the present time. The senior Senator from Utah [Mr. SMOOT], who is the most famous mathematician of Congress, I have no doubt has about his clothes somewhere the exact figures as to what importations are being received during this period, and the revenue that is derived from them.

If the Senator from Utah feels like entering this symposium, I will ask him to give the figures for the benefit of the Senator from Colorado, because I do not want the Senator from Colorado to go to his home during his campaign for reelection and misstate, inadvertently, the exact facts on this point.

Mr. SMOOT. Mr. President—

Mr. THOMAS. If the Senator will permit me just a word—

Mr. GALLINGER. Certainly.

Mr. THOMAS. The statement I made to the Senator from Michigan was based upon the speech of the Senator from North Carolina [Mr. SIMMONS], made a few weeks ago, and of which, of course, there is a report in the CONGRESSIONAL RECORD, his speech being based on statistics received from the Department of Commerce. One of his statements based upon those statistics was that as to imports of manufactured goods from England, and also from the Continent of Europe, the proportion was almost equal to that of the preceding year, the excess of imports being foodstuffs and materials from other countries than Europe. If I am wrong, I certainly have a recoupment against the Senator from North Carolina.

Mr. GALLINGER. Now, Mr. President, let the Senator from Utah be heard.

Mr. SMOOT. Mr. President, when the Senator from Colorado made his statement I was rather surprised to hear it, because he is generally very careful in what he says.

I have before me the receipts and disbursements affecting the general fund balance of the United States, we will say, for this month up to September 5, 1914. On September 5 we collected customs revenues of \$976,251.91. That does not look as though the importations have ceased. Those goods are imported, of course, mostly from England and from other parts of the world;

very few of them coming from Germany, some few from France, from Holland, and also from Norway and Sweden.

Mr. THOMAS. Can the Senator give the amount for September 5 a year ago?

Mr. SMOOT. I have not it for that particular day.

Mr. THOMAS. Well, about that time.

Mr. SMOOT. But I will say that for the first five days of September a year ago we collected revenue of \$5,007,538.66 from customs receipts. This year, with a war on, for the first five days of September we have collected \$3,949,210.77. There is a difference of only about a million dollars in the five days, notwithstanding the war. I wish to call the Senator's attention also to the fact that it will not be long before the transportation of goods will not be interfered with. The ocean traffic will be open, and of course the goods are going to come into this country. For the month of August there was a shortage of something like \$10,000,000 in revenue.

Mr. THOMAS. Mr. President—

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

Mr. SMOOT. Yes; I yield.

Mr. THOMAS. I should like to ask the Senator whether the revenue derived during the first five days of this month, to which he has referred, was revenue from goods imported prior to or since the outbreak of hostilities?

Mr. SMOOT. They were imported since the outbreak of hostilities.

Mr. THOMAS. Is it not a fact that much of those duties, a large proportion of those duties, was collected upon goods that were in bond and which came to this country preceding the outbreak of hostilities?

Mr. SMOOT. No, Mr. President; that is not so. The custom receipts are collected from goods that started for this country during the latter part of August, and they arrived here in the first five days of September.

The Senator knows that there are very few goods held in bond except at a time when a tariff bill is to be changed. Then, of course, people who expect the rates to decrease hold their goods in bond as long as it is possible for them to do so.

I do not expect to see anywhere near \$100,000,000 shortage in the revenues for the fiscal year ending June 30, 1915. It can not be and it will not be anything like that amount. The \$100,000,000 that is to be collected by a war tax is not for the purpose of paying the shortage in custom duties, as the country has been given to understand. It is to pay the shortage that will come through the income tax and the extravagant appropriations made by this Congress.

I have no doubt that the reduction from the income tax for the coming year, if a change of rates is not made, will be from twenty to twenty-five million dollars, caused by the unfortunate business conditions that exist in this country to-day—railroads not making much more than their running expenses, dividends being cut down from that great source of income to the people, companies which have paid dividends in the past cutting them sometimes in two and sometimes eliminating them entirely. Now, these conditions will have effect upon the income-tax receipts for the coming year, and the amount that the Government will receive from that source will be greatly reduced.

Mr. THOMAS. Mr. President, I should like to ask the Senator whether he is prepared to give an estimate of what the deficit in import revenue will be?

Mr. SMOOT. My opinion is that it will not be over fifty to sixty million dollars.

Mr. THOMAS. And how much of that will be consequent upon the war?

Mr. SMOOT. I should think most of it would be.

Mr. THOMAS. My purpose in asking the question is that some time ago the Senator made a speech here, based upon statistics from the Department of Commerce, indicating such a very serious falling off in our import revenues that he seemed to be justified in the view that it was going to be so large as to create a deficiency.

Mr. SMOOT. Oh, Mr. President, the Senator certainly misunderstood what I said if he drew that conclusion.

Mr. THOMAS. That is quite probable.

Mr. SMOOT. My whole criticism has been that the present tariff act has allowed importations to come into this country amounting to hundreds of millions of dollars more than under the previous law. I have never yet stated that the revenues from the present tariff act were as small as was estimated for, not only by the department but by both Houses of Congress, at the time the bill was being considered.

Mr. THOMAS. May I ask the Senator if the tables which he submitted did not show, on the one hand, an increase in importations and, on the other, a decrease of revenue?



Mr. SMOOT. Why, certainly, Mr. President. That was the object I had in calling it to the attention of the Senate—that the importations were immensely increased and the exportations decreased.

Mr. THOMAS. Not the exports.

Mr. SMOOT. In the month of May, as I remember, there was a loss of trade to this Government of some \$63,000,000.

Mr. FLETCHER. Mr. President—

Mr. THOMAS. I think the Senator misunderstood my question. My question was whether his tables did not show an increase in the amount of imports but a decrease in the revenues of the Government upon those imports?

Mr. SMOOT. There was an increase in the value of importations, and there was a slight decrease in the revenues of the Government from customs receipts. That everybody admits; but there was not nearly the amount of decrease that was predicted when the bill passed, and that came about from the fact that there were more importations than were estimated for by hundreds of millions of dollars.

Mr. GALLINGER. Mr. President, the Senator from Florida [Mr. FLETCHER] rose a moment ago, and as I am hoping that we will hear some voices from that side of the Chamber I very graciously yield to the Senator.

Mr. FLETCHER. Mr. President, since apparently the discussion of the tariff has ceased and the Senator from New Hampshire is willing to proceed with the river and harbor bill, I decline, after thanking him most sincerely for his offer to yield, and trust that we will proceed now with the matter before the Senate.

Mr. SMITH of Michigan. Mr. President—

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

Mr. GALLINGER. I yield to the Senator from Michigan.

Mr. SMITH of Michigan. I have been so astounded by the statement of the Senator from Colorado that we were now in the very height of perfected protection that I can not resist the temptation to say that \$140,000,000 of excess importations is due to the enlarged free list. There are scores of items that could have been caught at the customhouse and made to return a good revenue to this Government which would have saved you from the inquisitorial tax you are about to put upon the people of the country.

For instance, agricultural implements, plows, tooth and disk harrows, hedders, harvesters, reapers, agricultural drills and planters, mowers, horseshoes, and cultivators are free by your grace—in the name of heaven, can we not make those articles here? Why should we throw down the bars and admit them without any duty and in competition with our own labor?

Mr. KENYON. I should like to inquire whether they were sold at any reduced prices?

Mr. SMITH of Michigan. No, indeed. Then, again, I notice that you let in ashes free. We can not make ashes enough over here, apparently, to please the Democratic Party. Bagging for cotton, gunny cloth, and similar fabrics come in free. Balm of Gilead is free, and we have been looking for it ever since in vain.

Mr. MARTINE of New Jersey. Mr. President—

Mr. SMITH of Michigan. Oh, yes; I yield to the Senator from New Jersey.

Mr. MARTINE of New Jersey. I hope the Senator from Michigan will be generous enough to let me say—

Mr. GALLINGER. Mr. President, I must insist that the Senator shall get permission from the Chair.

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

Mr. GALLINGER. I yield.

Mr. MARTINE of New Jersey. I think we can save it over with balm of Gilead, if your disposition would be of a kindred character; but do not start out with a fight and then repel all thoughts of balm of Gilead.

I only wanted to say, speaking about plows and harrows and other tools of that character, and why we do not manufacture them here, that the fact is that we do manufacture them here, and we ship them abroad in countless numbers. Our machines are to-day, or were previous to the war, in the hills and valleys of Scotland and in France and in Germany reaping the grain, garnering the grain, and cultivating the crops there. We did ship them abroad. Only yesterday I was surprised to find in the newspapers, in speaking of the decimation in Belgium of the war and the destruction of the great industrial plants there, that they mentioned one concern, a rival of Krupps, and went on to give a list of the various machines that were used in this great manufactory. Among them they mentioned, from my own town, the Pond Tool Works, manufacturing lathes, planers, and sundry other things that were found there installed.

These men have grown rich. The manufactures of this country with the high protective tariff have grown rich, and yet at the same time they were shipping their goods abroad and getting the benefits of the tariff, and it was only fair and just that the tariff should be reduced and in some instances repealed.

Mr. SMITH of Michigan. The people evidently wanted free trade.

Mr. KENYON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Iowa will state it.

Mr. KENYON. By what authority did the Senator from Florida state that the tariff discussion had ended?

Mr. SMITH of Michigan. It has practically ended as far as I am concerned—

Mr. FLETCHER. I think I spoke unguardedly.

Mr. SMITH of Michigan. We have no tax upon exports; but under protection have always sold largely abroad, leaving a good balance in our favor. The Senator from New Jersey says that the people who make these goods are rich. But the men who work in the factories where these articles are produced are obliged by necessity under this law to compete in their wages with the wages of countries that are not as good as our own.

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

Mr. SMITH of Michigan. Another thing, you admit biscuits free. Can we not make biscuits enough over here. The housewives of the country can make all the biscuits we need.

Bladders and blue vitriols come in free. I suppose our opponents need them.

Mr. LEWIS. I regret to interrupt, but let me offer one reason why the Democratic Party can not make biscuits. Not like our Republican friends, the Democratic Party has not the "dough." [Laughter.]

Mr. SMITH of Michigan. Neither have the people since the advent of Democracy.

Mr. THOMAS. May I ask the Senator from Michigan a question?

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

Mr. GALLINGER. I yield.

Mr. SMITH of Michigan. The Senator from New Hampshire turns me over to the tender mercy of the Senator from Colorado.

Mr. THOMAS. I am not going to enter into a tariff discussion. I merely want to ask the Senator from Michigan whether the greater proportion of the articles he mentions were not on the free list in the Payne-Aldrich bill. Bladders, and Balm of Gilead, and blue vitriol, and ashes were about the only things that were on the free list then.

Mr. SMITH of Michigan. In so far as our Democratic friends followed the free list which they found on the statute books I make no complaint, but \$140,000,000 of products of European genius and labor have come in here free since October last in excess of the importations under the free list in the last 11 months of the Payne-Aldrich bill.

Mr. THOMAS. And for which the products of American labor were exchanged.

Mr. SMITH of Michigan. Just a moment. Eggs come in free. What is the matter with the American hen? Are you going to discriminate against every industry we have? Eggs come in free. You bring in fossils free. Are they not the architects of free trade? But fossils can not climb high walls, therefore fossils must be free. Fish skins are free; but only fresh-water fish are free. Our internal fisheries must be exposed to piracy. Glass is free, of a certain kind—enamel, white, for watch and clock dials. Why can we not make them here? When you passed your bill glass was being made in my State, as fine glass as could be produced anywhere in the world, at a cost of less than 16 cents a square foot. Our manufacturers were selling it at 15 cents a square foot, and yet you cut the tariff down and exposed that business to further competition with the European glassmakers. Wool, lumber, and sugar are ruthlessly exposed to this dangerous blight.

It is no wonder that you call for more revenue. You have not protected American labor and American industry at home by your law.

Mr. THOMAS. Mr. President—

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

Mr. GALLINGER. I yield.

Mr. THOMAS. May I ask the Senator if it is not a fact that, notwithstanding the dismal and gloomy predictions which were made when we were considering the Underwood bill, he being one of its chief antagonists, the glass industry has prospered in this country since the enactment of that law, and that

some of the glass companies have paid better dividends than before?

Mr. SMITH of Michigan. So far as I know, nothing has prospered by the change, except our rivals and their well-paid agents at ports of call.

Mr. THOMAS. I read an account some days ago of a large cash dividend paid by one of the glass companies of Maryland, and before then of dividends—I think in Pennsylvania.

Mr. SMITH of Michigan. They must have been winding up their plant, because there was nothing helpful in the law.

Mr. THOMAS. Of course, no possible prosperity which could come to an industry which has heretofore been protected will be admitted under any circumstances.

Mr. OLIVER. Mr. President—

Mr. SMITH of Michigan. Let us hear from Pennsylvania.

Mr. GALLINGER. I yield to the Senator from Pennsylvania.

Mr. OLIVER. If the Senator from New Hampshire will permit me, I should like to have the Senator from Colorado give some bill of particulars about those Pennsylvania glass concerns.

Mr. THOMAS. I make the statement from what has appeared in the papers from time to time. I have not charged my memory with nor pursued them. I have noticed on several occasions that the industry was good and dividends had been paid by some of the companies where a great many men were employed; that they were paid as good wages as ever; and that the industry had not suffered.

Mr. OLIVER. I wish to say to the Senator that I have some little acquaintance with the Pennsylvania glass business, and that I have not learned of the exceptional dividends that have been paid out of the profits of these companies since the enactment of the Simmons-Underwood law. I am inclined to look with some doubt upon the accuracy of these statements.

Mr. THOMAS. If my memory serves me aright, I recall one company, which was located at Cumberland, Md.

Mr. OLIVER. I thought the Senator said in Pennsylvania.

Mr. THOMAS. There were other companies, but I recall specifically that one.

Mr. OLIVER. I was under the impression the Senator said Pennsylvania.

Mr. THOMAS. If my memory serves me—

Mr. SMITH of Michigan. You put ice on the free list, I presume, to preserve what little prosperity we have left.

Mr. FLETCHER. Let me ask the Senator from Michigan if he wants to defeat the river and harbor bill?

Mr. SMITH of Michigan. Oh, no; Mr. President, I want to ask the Senator from Colorado a question. He says that we are in the midst of our greatest prosperity.

Mr. THOMAS. Oh, no.

Mr. SMITH of Michigan. The Senator from Colorado says that we are occupying the most blissful period of protection ever enjoyed in the history of our country.

Mr. THOMAS. I say the Republican Party are enjoying a most perfect system of protection on account of the war shutting off importations by the European war, and they ought to be happy. I made that statement.

Mr. SMITH of Michigan. You took the duty off iron ore, and our hills are literally bursting with iron ore. Why? To give the east shore of Cuba and in Norway greater freedom in our markets, a modest charge of, say, 25 cents a ton on iron would have added several million dollars to our revenue without burdening anyone. You threw that revenue away in the interest of international altruism.

Mr. GALLINGER. A new freedom.

Mr. SMITH of Michigan. Yes; but an old freedom in commerce, as the Senator from New Hampshire knows. You let in leather boards, compressed leather, leather cut into shoe uppers, vamps, and other forms suitable for conversion into boots and shoes free.

I should like to inquire if shoes are any cheaper than when you passed the law. Yet you were so keen to do it that the very moment when the President affixed his name to the act is set forth in the act. Perhaps the Senator has forgotten this. They looked up at the clock and stated the very moment that this new freedom was born, and American labor has been partially idle ever since. It was approved at 9.10 p. m. October 3, 1913, and from that very moment importations under the free list have multiplied and increased until \$140,000,000 marks the excess over the last 11 months of the old law.

If you want to get added revenue, why do you not have some of those old items charged with a duty? Why not reimpose your duty on sugar and revive the American sugar industry in your country? Reimpose your duty on iron ore and make the magnates who are mining it pay into the Treasury the revenue that you so sadly need. Reimpose the duty on lumber and bar-

ley and wool, and get the revenue easily by reviving our industries.

Mr. President, there are thousands of items in this free list that you tendered as a free offering to our commercial rivals across the sea; and now, forsooth, because you have not been able to catch enough importations in your new net you come and say that the Government is in need of more money and emergencies must be met by extraordinary taxation.

I think this law a failure. The last 11 months have demonstrated it, and if the war in Europe had not challenged public attention throughout the country this law would have been condemned almost universally at the first opportunity that was offered.

Mr. THOMAS. Mr. President—

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

Mr. GALLINGER. I yield.

Mr. THOMAS. May I ask the Senator if he is opposed to raising this additional revenue?

Mr. SMITH of Michigan. I am opposed to raising it on the pretense that it is a war measure.

Mr. THOMAS. I ask the Senator if he is in favor of a river and harbor bill appropriating \$53,000,000?

Mr. SMITH of Michigan. We must care for going projects, that is very sure. We must care for necessary work or lose more money by delay. These large-draft ships require abundant water, and if you want to let the winds of winter and the tempests of early fall and early spring spend their wrath upon unprotected rivers and harbors, you Senators must take the responsibility for it.

Mr. President, the Senator from Colorado asked me if I objected to the method of raising the \$100,000,000 additional revenue, as proposed by the President. I do not think it would have been required if you had left the duty on a few articles that could have borne it easily. I do not think it would have been required if you had been a little more careful with your appropriations.

A very distinguished Alaskan told me they could have gotten along with \$10,000,000 for the Alaskan railroad. You gave them \$35,000,000 because you had so much money in the Treasury that you did not know what to do with it, and now under the specious plea of a European war you seek to impose an inquisitorial tax upon trades and occupations and people to make up your shortage. I can not subscribe either to the wisdom or the necessity for this course. Why not reimpose a duty on sugar and revive the industry of the Senator's own State? The sugar stock dropped from 98 cents to 18 cents under your hostile and adverse legislation. I think your whole tariff legislation has been a failure. Your income-tax scheme has been a failure.

If you had been fair and had not played politics with your plan, you would have given all American citizens the opportunity to throw their little kernel into the hopper. Then all would have felt that they were bearing their share of the Government's burden. Instead of that you put it upon a class and appealed to those whom you exempted for support. This was un-American and undemocratic.

I have said all I am going to say. I am sorry that I interrupted the Senator from New Hampshire. Only his great kindness has encouraged me to proceed, and I could go on through that misconceived statute showing thousands of items that should not be on the free list. Scores of them should have been taxed and you would have protected our domestic employments and given us revenues sufficient to run the Government.

Mr. GALLINGER. Mr. President, the only regret I have that I yielded to the Senator from Michigan [Mr. SMITH] is that he has repeated so much of what I intended to include in my remarks that I fear it will be not interesting when I recite it.

Mr. SMITH of Michigan. It will bear repetition a good many times.

Mr. GALLINGER. I have done the most I could to keep a political discussion out of the consideration of this bill, but I have not had very good success.

Now, I will add a single observation in that line. If the Democratic Party can stand on its record during this session of Congress, a record of extravagances and useless expenditure, certainly the Republican Party can politically afford to let the party in power run riot along that line. But for myself, I join most earnestly with the distinguished Senator from Ohio in the plea he has made for a radical reduction in the appropriations contained in this bill. If the Democratic Party will not save itself from the consequences of its folly, then let Republicans come to the rescue of the Treasury.

Mr. President, I assume that no one knows definitely what the proposed tax will be levied on, but it is safe to say that it



will be a burden to very many people who can ill afford to bear it. Why should not Congress—here I repeat what the Senator from Michigan [Mr. SMITH] said in substance—why should not Congress in this emergency exercise sound common sense by restoring the duty on sugar, thus saving a domestic industry from extinction and adding \$30,000,000 annually to the revenue, and advancing the rates on wool and on some of the other schedules of the tariff law, when it can be clearly shown that they have been reduced below the proper protective point? In other words, why not raise at least one-half of this \$100,000,000 by taking the profits from the Sugar Trust, giving the people the benefit of the difference, and imposing a higher duty on certain imported articles. It seems to me that that would be a more statesmanlike form of legislation than the one that has been proposed by the President.

How to raise this added money is a problem. It has been suggested that the income tax should be increased, but, aside from the impropriety of doing that, the revenue from that source would be of little value, as it could not be in hand for nearly a year. Manifestly what is wanted is some quickly secured funds, and I know of no better way to get the necessary revenue, provided the tariff law is not to be revised, than by imposing an internal-revenue tax on luxuries, such as beer, wine, whisky, and tobacco. I observe that a protest has gone up from the tobacco people that they are having a hard time and ought not to be further taxed. Probably the whisky men, the beer men, and the wine men will join in that cry, but I have no sympathy with that suggestion. If those sources of revenue are to be ignored, what then? It is very probable that the industrial portions of the country will be further burdened by a stamp tax on commercial paper and bank checks, which, under existing conditions, would be placing an unfair burden on a portion of the country that is already paying more than its share. As an illustration, let me show, as a matter of comparison, the proportion of the internal revenue derived from the excise tax, the corporation income tax, and the individual income tax, paid by the 12 leading States of the South and 12 States of the North, including the 6 New England States. The figures are as follows:

*Internal-revenue receipts for fiscal year ending June 30, 1914.*

State.	Corporation excise tax.	Corporation income tax.	Individual income tax.
Alabama.....	\$59,813.19	\$156,526.38	\$62,102.89
Arkansas.....	20,639.71	95,796.38	42,035.48
Florida.....	34,126.25	92,958.97	108,800.43
Georgia.....	112,070.92	247,774.34	115,874.11
Kentucky.....	82,065.65	303,960.65	68,244.62
Louisiana.....	103,488.17	250,563.18	148,261.18
Mississippi.....	18,631.18	65,746.74	40,502.46
North Carolina.....	84,410.55	173,267.99	46,566.55
South Carolina.....	69,356.39	82,282.51	25,811.11
Tennessee.....	43,202.67	226,143.67	58,274.54
Texas.....	161,632.83	551,241.43	360,965.21
Virginia.....	18,222.03	414,471.52	103,443.30
Total.....	836,712.90	2,700,763.16	1,250,887.88
Connecticut.....	155,427.18	551,828.72	402,504.53
Illinois.....	1,141,536.28	3,152,113.40	2,076,171.11
Maine.....	84,544.35	199,547.24	75,772.35
Massachusetts.....	550,531.63	1,447,648.83	1,505,885.72
Michigan.....	530,477.45	1,043,745.95	1,018,220.20
Minnesota.....	323,615.48	1,181,977.40	372,527.41
New Hampshire.....	26,518.74	60,135.21	48,732.88
New York.....	2,318,311.41	7,447,600.19	12,522,797.34
Ohio.....	545,023.32	1,856,007.03	604,508.22
Pennsylvania.....	1,452,511.03	4,647,794.19	3,176,035.38
Rhode Island.....	75,937.63	247,465.04	321,221.74
Vermont.....	9,660.77	39,114.37	89,356.77
Total.....	7,216,035.45	21,874,987.65	22,523,793.65

It will be observed that the 12 Northern States pay eight times as much corporation excise tax as the 12 Southern States, eight times as much corporation income tax, and twelve times as much individual income tax.

Mr. WHITE. Mr. President—

The PRESIDING OFFICER (Mr. THOMAS in the chair). Does the Senator from New Hampshire yield to the Senator from Alabama?

Mr. GALLINGER. I thought I would probably hear from some of my good friends from the South. Certainly, I yield.

Mr. WHITE. I know the Senator from New Hampshire is a generous-hearted man, and he would not tax poor people, would he?

Mr. GALLINGER. Yes; we do all over the country tax poor people. I was in favor of putting the income tax at a figure where comparatively poor people would pay something toward the support of the Government, as they do in all other matters

of taxation, which would more closely ally them to governmental affairs.

Mr. WHITE. I thought the Senator sympathized with us in our poverty down South.

Mr. GALLINGER. I never have thought that the South was as poor as it has been represented. I have noticed—I think I have the statistics somewhere—that the wealth down South during the last census was not startlingly low.

Mr. WHITE. Mr. President—

Mr. GALLINGER. I yield.

Mr. WHITE. I should like to say to the Senator from New Hampshire that the State of Alabama, which I in part represent, and one to which he has referred, in 1860 had an assessment roll of over \$700,000,000, and that after 50 years of struggle since the war it has never quite reached that point yet.

Mr. GALLINGER. That great State is traveling very rapidly in the proper direction, and is destined to be one of the richest States of the Union before long.

Mr. WHITE. I should like to say that Alabama is probably advancing more rapidly and has advanced more in the accumulation of wealth since the close of the Civil War than any other Southern State, because of its great industrial development; but I do hope the Senator from New Hampshire will not expose our poverty further by showing how little of the income tax our poor people have to pay.

Mr. GALLINGER. If the income tax had been framed along the lines that I thought it ought to have been framed, in imposing a tax upon incomes of \$1,000, or possibly a tax upon all incomes in the country, it would have been almost negligible so far as the poor people were concerned, and it would have been a more just tax, and it would also have shown less disproportion between the States that I have named in the two sections of the country. But that was not done, and now I am dealing with the figures as they exist under the present law.

Mr. President, the figures I have given speak for themselves and I cite them only to show that in framing the law that is to take a hundred million dollars more from the people of the country it ought not to be aimed at the industrial States of the Union, and I hope it will not be.

In connection with the proposition to raise an additional \$100,000,000 of revenue by taxation, the Philadelphia Inquirer of recent date well says:

It is the irony of fate that the Democratic Party, which came into power pledged to a reduction of taxes, will be obliged to levy the heaviest special tax laid since the Civil War. If the tariff had been let alone the Treasury would be in such funds that new taxes would not have been needed, at least for some time to come. Think of the millions on sugar which we threw away! Think of the wool duties we might now enjoy! In fact, the situation is desperate for our Democratic theorists, since in the face of a defensive political campaign they are compelled to levy the most unpopular taxes ever laid in times of peace.

Every man who pays a war tax this fall will know that it might have been unnecessary. But for the depression of American industry by the Underwood tariff this country would face the future with complacency.

Now, Mr. President, let me address myself more specifically to the river and harbor bill.

It seems to me that the sound, fundamental considerations that underlie water transportation are being lost sight of in these days. The National Waterways Commission of five years ago, of which the senior Senator from Ohio was chairman, developed many important facts, which are a matter of record. In my investigations I have found no document which so clearly and strongly presents the case as an address delivered by S. Whinery, civil engineer, made at the permanent International Association of Navigation Congress, held at Milan, Italy, in 1905, from which I propose to make liberal extracts.

Before doing so I want to say that I had the honor of serving on the International Waterways Commission, and tried to acquaint myself with the conditions of water transportation, not only in my own country but abroad as well, and to suggest that the repetition and reiteration that we hear as to water transportation in Europe being an object lesson to the people of this country is entirely misleading. The great canals in Europe were mostly built before the era of railroad building. It was the only means of transportation the people in those old countries had. Those canals very naturally have been allowed to continue, and under the fostering care of the respective Governments have been made profitable in the carriage of heavy freight. In some of those countries the Government takes charge of the matter and looks after the railroads, which are inadequate as compared to American railways, both as to operation and equipment, as well as the waterways.

The carriage of the lighter freight is given to the railroads, and to the waterways the carrying of the heavier freight. As a result there is a reasonable return from water transportation;



but the idea that we are ever going to expend the people's money to any great extent to build canals in the United States is obviously absurd. We might as well talk about going back to the days of the Concord stagecoach, which was a famous institution of my own home city, but which has practically disappeared except in the remote sections of the world. We have progressed beyond that period, and we are not going to return to it. We have progressed beyond the period of slow transportation by water, and we are not going to return to it to any very considerable extent.

The observation I make in reference to canals is equally true as to transportation by the rivers of the United States, as I shall endeavor to show before I get through. I know it will be tedious for the Senate and for the few Senators who will honor me with their presence to hear the discussion of this question by this distinguished civil engineer, delivered before a great and learned body in the city of Milan, but it touches so distinctly the fundamental principles which we are called upon to consider in this bill that I can not refrain from copiously reading from this review. Mr. Whitney says:

The United States comprises a very large territory, throughout which domestic commerce is untrammelled by tariffs or other trade restrictions. (Some of the recent territorial acquisitions of the United States must be excepted from this general statement.) The commercial activity of its people, the great volume of its commerce, the wide range in the productions of the soil and the factory, and the comparatively great distances over which these products must be transported for market or exchange all combine to make the transportation agencies of great relative importance in the commercial and industrial development of the country.

A brief historical sketch of the rise and development of transportation agencies and methods in the United States may be appropriate as an introduction to an intelligent understanding of them. In the earlier period, when the population consisted of settlements along the Atlantic coast and the rivers flowing into it, water transportation was practically the only means of communication. Later, as centers of population were established inland, transportation by animal power and wagon had to be depended upon.

In the early part of the nineteenth century, as the vast and fertile region west of the Appalachian chain of mountains became occupied by the white man, the trade between that region and the seaboard became of such importance and volume as severely to tax the trains of loaded wagons by which alone it was conducted. The National Government lent its assistance in the construction of roads to and over the mountain chain. But the commerce rapidly outgrew this means of transportation, and the demand for more adequate facilities became increasingly urgent. As population penetrated farther westward into the valleys of the rivers flowing into the Mississippi these streams were utilized, wherever navigable, by the use of flatboats moved by the current or by human power. The application of steam to the propulsion of boats marked an era in river transportation and gave a great impetus to inland commerce. But only a comparatively small area of the great country was within reach of the navigable rivers, and they afforded no relief in crossing the mountain range. As population spread and increased in the valley of the Mississippi that great river became more and more important as a highway of commerce and an increasing quantity of foreign trade passed into and out of its mouth.

Population also expanded toward the northwest, and the settlement of southeast Canada progressed rapidly. Along the northern boundary of the United States stretches, for a distance of more than a thousand miles, a chain of Great Lakes connected with each other by short rivers and discharging by the St. Lawrence River into the Atlantic Ocean. These formed an admirable highway for the early commerce of the region, and the city of New York being then, as now, the commercial metropolis of the whole country the necessity for better means of communication between the Lakes and that city was keenly felt at an early day.

When it is stated that as late as 1817 the transportation of a ton of merchandise from the eastern end of Lake Erie to New York cost \$100 and occupied 20 days, the urgent necessity for some better means of transportation can be appreciated.

The successful use of artificial waterways or canals abroad had attracted the attention of the colonists, and particularly of George Washington, and this able and farseeing statesman and patriot was the first to call attention to the advantages of a system of canals for inland transportation and to recommend its construction. As early as 1783 he had traversed the region between the head of navigation on the Hudson River and Lakes Erie and Ontario, and had observed the favorable conditions for the construction of a canal over the route. The project attracted public attention, a private corporation was organized to carry out the work, and actual construction was begun in 1796. But the undertaking was too great to be successfully financed by private enterprise, and in 1817 the State of New York determined to construct the canal. By 1819 nearly 100 miles had been completed, and in 1825 the whole length of 363 miles from Lake Erie to the Hudson River was completed and opened for traffic. In the meantime the whole country had entered upon the construction of a system of canals for inland commerce, and within a period of 15 years after the opening of the Erie Canal had pushed the projects with great energy. The Atlantic coast had been thus connected with the headwaters of the Ohio River excepting a short stretch over the mountain where portage was necessary, and Lake Erie had also been joined to the Ohio at three different points. Not less than 5,000 miles of canals had been constructed in the United States at a cost of about \$150,000,000. None of these were, however, of the same relative importance as the Erie Canal.

In the meantime that giant of modern inland transportation, the railroad, was born and began to attract attention. The first railroad to be built and operated by steam power was begun at Baltimore in 1828, and the first section of it, 15 miles long, was opened for business in 1830. At the inception of this enterprise a noted statesman and patriot had taken part and had said: "I consider this among the most important acts of my life, second only to that of signing the Declaration of Independence, if even second to that." Could he have then foreseen, even dimly, the wonderful growth and development of the railroad and the dominating influence it was destined to exert upon the commerce of the

continent, he would probably have omitted any clause limiting the importance of the enterprise then inaugurated.

Crude as were these first railroads, the people saw in them the promise of great things, and the energy heretofore devoted to the construction of canals was diverted to the development of this new means of transportation. The promise was not unfulfilled and the growth of the railroad system was rapid and phenomenal. The number of miles of railroad in operation at the end of each 10 years since 1830 is shown in the following table:

	Miles.
1830.....	23
1840.....	2,918
1850.....	9,021
1860.....	30,635
1870.....	52,914
1880.....	93,349
1890.....	163,420
1900.....	194,262
1903.....	207,784

In the earlier period of its history it was not expected that the railroad could rival the canals in the economical transportation of freight, and even as late as 1856 the State engineer of New York asserted in an official report that the passenger business belonged exclusively to the railroads, while freight transportation belonged to the canals. The railroads, however, did not accept this view of their limitations. The New York Central Railroad was completed between Albany and Buffalo in 1842, and the Hudson River Railroad from Albany to New York was opened in 1851, thus completing an all-rail route from New York to the Lakes, closely following the route of the canal and the Hudson River. The Erie Railroad also completed its line from New York to the Lakes in 1851.

At once these railroads began to attract and carry such a considerable part of the through business that the friends of the canal became alarmed and numerous measures were proposed to prevent the diversion from the canal of the business which was regarded as belonging legitimately to it. In 1851 the State abolished all tolls on the canal, thus making navigation free. But in spite of these efforts to maintain the supremacy of the canal the railroads not only held their own, but obtained an increasingly large share of the business. In 1852 the railroads carried less than 5 per cent of the total through freight between Lake Erie and New York. In 1898 the canal carried less than 5 per cent of the whole freight between the same points. The business of the canal has steadily declined until it is now almost a negligible factor in lake and seaboard transportation.

But if the Erie Canal was unable to hold its own against the railroads in the freight-carrying business, the other canals of the country were still less able to do so. They long ago gave up the contest, and without exception they have fallen into practical disuse and decay. Not only the canals, but the navigable rivers of the United States (except those connecting the Great Lakes and the St. Lawrence) have been unable to compete with the railroads in the carrying of freight, excepting only coal and ore.

The commerce on the Mississippi and the Ohio Rivers and their principal tributaries grew very rapidly after the application of steam to navigation. There was a time within the memory of many men still living when the Ohio and the Mississippi Rivers bore on their channels a splendid commerce. They were crowded with every variety of river craft from the palatial steamboat to the clumsy flatboat without means of self-propulsion.

But the railroads have taken away from them a great part of this commerce, although it has grown to many times its former volume. So greatly has this river transportation declined that it may almost be said to have ceased to exist, except for the one item of coal. This has not been true, however, of the commerce carried by the Great Lakes. Perhaps nothing in the history of transportation in the United States is more remarkable than the wonderful growth of the commerce carried upon these Lakes. Even as recently as 1875 the total freight moved by the lake vessels from and to Buffalo amounted to but 3,259,839 tons. In the year 1898 the total tonnage amounted to 40,000,000 tons. This enormous expansion has been due to a number of causes. \* \* \* The line of this chain of Great Lakes lies near to the zone of greatest commercial and industrial development in the United States, and along the direct route between the great grain and lumber-producing region of the Northwest, and the eastern seaboard centers of foreign commerce. Near their eastern end lie the great coal fields of the country, and about their western end are found the most wonderful deposits of iron ores yet developed on the continent. Along them lie the greatest copper-producing mines of the world. The marketing of the cereals and lumber from the Northwest and the bringing together of these coals and ores constitute the greater part of this magnificent commerce. Of the total tonnage carried, fully 90 per cent consists of grain and its products, lumber, coal, and ores.

Mr. BURTON. Will the Senator from New Hampshire yield to me?

Mr. GALLINGER. I yield to the Senator from Ohio.

Mr. BURTON. One great objection I have to the procedure on this river and harbor bill, which is a very important question, is the very slim attendance and the apparent lack of interest. This discussion could be very much curtailed if there was a larger attendance during the speeches on this subject. In view of the small number of Senators present I suggest the absence of a quorum.

Mr. LEWIS. May I be permitted to interrupt the able Senator merely to say that he will observe by the clock it is 20 minutes of 2 o'clock. Absence of Senators on the Democratic side and also on the Republican side is doubtless caused by the fact that they have gone for refreshment, and it can not be attributed to any disrespect for the able Senator from New Hampshire or his splendid argument.

Mr. BURTON. I think that is true.

The PRESIDING OFFICER. The Senator from Ohio having suggested the absence of a quorum, the Secretary will call the roll.



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

Ashurst	Gallinger	Oliver	Shively
Bankhead	Hughes	Overman	Simmons
Brady	James	Pace	Smith, Ga.
Bryan	Jones	Perkins	Smoot
Burton	Knyon	Pittman	Sterling
Chamberlain	Lane	PoinDEXTER	Swanson
Chilton	Lea, Tenn.	Pomerene	Thomas
Clapp	Lee, Md.	Ransdell	Thornton
Clarke, Ark.	Lewis	Reed	Walsh
Crawford	McCumber	Robinson	West
Culberson	McLean	Shafroth	White
Fall	Martine, N. J.	Sheppard	Williams
Fletcher	O'Gorman	Shields	

Mr. MARTINE of New Jersey. I was requested to announce that the Senator from Mississippi [Mr. VARDAMAN] is out of the city, engaged on public business.

Mr. CLAPP. I desire to have the telegram which I send to the desk read into the RECORD. It relates to the roll call.

The PRESIDING OFFICER. The Secretary will read as requested.

The Secretary read as follows:

WASHINGTON, D. C., September 8, 1914.

CHARLES P. HIGGINS,  
Sergeant at Arms, Washington, D. C.:  
I am detained from the Senate by illness.

R. M. LA FOLLETTE.

Mr. CLAPP. I desire to renew the statement made yesterday relative to the illness of the senior Senator from Kansas [Mr. BRISTOW] and his consequent inability to be present.

The PRESIDING OFFICER. Fifty-one Senators have answered to their names. There is a quorum present. The Senator from New Hampshire.

Mr. GALLINGER. Mr. President, continuing the reading of this most interesting contribution on what the author calls "The advantages and organization of mixed transports"—that is, by railways and waterways—I am brought to this point:

Transportation conditions in the United States to-day may be briefly summarized in a few short sentences. With the exception of the Great Lakes, inland navigation has practically disappeared as one important factor in either passenger or freight transportation. The canals and rivers have fallen into disuse. The railroads have monopolized the carrying business of the country.

Present discussion relates chiefly to three important topics—the causes that have brought about the present conditions; the possibility of restoring inland navigation to something like its earlier importance and the benefits to commerce that would result; and measures for properly controlling and regulating the practical monopoly now held by the railroads in the transportation business of the country.

A brief discussion of the causes that have led to the present conditions seems necessary to an intelligent understanding of the situation. The advocates of water transportation attribute the decadence of the canals, first, to their inadequacy, as originally constructed, to serve the demands of our rapidly expanding commerce, and to the failure of their owners, whether State governments or private corporations, to enlarge and improve them so as to meet those demands; and, second, to the absence of able, intelligent, and enterprising management. Those who do not look with favor on canals go further and say that their failure is due not alone to these causes, but also to the inherent disabilities of the canal as an agent for transportation.

It is doubtless true that had the canals been enlarged and improved so as to keep pace with the growing volume of the business of the country they would have been able to retain a much larger share of that business and to compete more successfully with the railroads. But that they could, under any conditions, long delay the fate that came to them is not at all probable. The Erie Canal alone might have proved an exception to this general statement. That the canal could have been so developed as to have served the interests of commerce as well as have the railroads will not be claimed by its most earnest advocate, and this is worthy of some consideration in judging of its general utility.

It was foreseen when the Erie and some other canals were built that their capacity would not long be sufficient to accommodate the growing commerce of the country through which they were built. But their great cost limited the capacity it was then possible to provide. The average cost of the 5,000 miles of canals built in the United States seems to have been about \$30,000 per mile. The sum invested in them was thus very large, and to provide it taxed severely the limited resources of the country at the time. To have subsequently enlarged and extended them in something like the same ratio as the growth of the business of the country would probably have been financially impossible. The estimated cost of the enlargement of the Erie Canal upon which the State of New York is now about to embark is \$101,000,000, and being 345 miles long, the cost per mile will be approximately \$290,000. This is exclusive of the floating equipment necessary for its operation. No such liberal enlargement of the other canals would have been required, but if we contemplate for a moment a system of canals throughout the United States that would have taken care of the commerce of the country something like as well as do the railroads their aggregate cost would have been a sum many times the cost of all the railroads and their equipment.

These reasons and others which will be referred to later seem to warrant the conclusion that no practicable extension and improvement of the canal system, which was so bravely begun before the advent of the railroads, could have prevented or very long delayed the control of inland transportation by the railroads. If this be true, the question of the effect of inefficient management of the canals becomes one of secondary importance, so far as the final result is concerned. That it had an effect in hastening their decadence can not be doubted. A number of the more important canals, including the Erie, were built, owned, and controlled by State governments. Without going into details it is sufficient to say that these public works were sadly neglected by the State legislatures, composed, as they usually were,

largely of politicians lacking a broad knowledge of industrial and economic affairs, and interested more in political and personal matters than in the public works of the State. The floating equipment was owned and operated by individuals or corporations, whose solicitude for the general prosperity and success of the canals did not usually extend beyond their own petty interests. There was, therefore, an almost total absence of that unity of purpose and effort without which no important enterprise can hope to succeed. On the other hand, the railroads with which the canals were compelled to compete were each owned and controlled by private corporations, officered by men of great ability, who managed every branch of their business harmoniously, with the single object of making the property profitable.

Mr. POINDEXTER. Mr. President—

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

Mr. GALLINGER. I do.

Mr. POINDEXTER. Will the Senator state again, if he has previously stated it, the occupation and interest of the author of the article which he is reading?

Mr. GALLINGER. Mr. S. Whinery is a civil engineer and he delivered this address at the tenth congress of the Permanent International Association of Navigation Congresses in Milan in the year 1905. The fact that he was chosen for this important duty would indicate that he is an accomplished engineer and capable of discussing this subject intelligently, as I think he has.

I do not know Mr. Whinery. This document came into my hands almost by accident, but I became greatly interested in reading it, and as it deals with the fundamentals, to a large extent, of transportation by both land and water, it seemed to me that it was worthy of a permanent place in the CONGRESSIONAL RECORD.

Mr. POINDEXTER. It is undoubtedly very pertinent to the discussion of this bill. I think that it is enlightening to the Senate, and the Senator very properly selected it for reading; but it would be interesting to know whether or not the author of it is in the employ of some of the railroads, and what, if any, interest he may have in the rivalry between railroad transportation and water transportation.

Mr. BURTON. If the Senator from New Hampshire will yield to me, I think I can answer that question.

Mr. GALLINGER. I yield to the Senator.

Mr. BURTON. Mr. Whinery is not in the employ of the railroads, but in general employment. He is a man somewhat advanced in years. Some 30 years ago, or nearly as long ago as that, he was employed as an engineer upon Government river work and had to do with the improvement of the Cumberland River in Tennessee. He also took part in the discussion on the improvement of the Black Warrior River in a meeting of the American Society of Civil Engineers, which occurred some five or six years since. While other engineers dwelt upon the mechanical devices, the locks, and so forth, he expressed himself at some length with reference to the economic phases of the question.

Mr. POINDEXTER. The reason I asked the question, I will say to the Senator from New Hampshire—and I asked it in all good faith—was that the line of argument of the article seems to be in opposition fundamentally and generally to inland water transportation.

Mr. GALLINGER. Mr. President, this distinguished engineer does not go to that point. I do not think he goes beyond expressing opinions which some of the rest of us entertain. Personally I have been, after making some considerable investigation of the subject, forced to the conclusion that any expenditure that may be made on the great waterways of this country, while it doubtless will be of some benefit, and perhaps may to some extent result in controlling fares on the railroads, will never reach a point where it will to any great extent create a commerce on those waterways.

I will digress long enough to say that on a certain occasion it was my privilege as a member of a committee of this body of which the distinguished senior Senator from Minnesota [Mr. NELSON] was chairman, and of which Senator Vest, of Missouri, and Senator Berry, of Arkansas, were members, to go to the headwaters of the Mississippi River and very leisurely traverse that great waterway to the Gulf. During that investigation, to which I may later allude, we took cognizance of the condition of things in the Missouri River, and we were forced to the conclusion, as the report will show, that commerce on the Missouri River had practically disappeared, and that the commerce on the Mississippi River was almost negligible in quantity. The result of our investigations was, as I recall, that the Missouri River Commission was abolished and appropriations were discontinued; but recently they have been renewed, and an effort is now being made to make the Missouri River a navigable stream on the pretense that commerce will be greatly increased, and the results obtained will possibly be worth the expenditure.



Mr. POINDEXTER. Will the Senator pardon me just a word in that connection?

Mr. GALLINGER. Certainly.

Mr. POINDEXTER. One of the best reasons for that condition which I ever heard stated was stated on the floor of the Senate by the Senator from Ohio, that in order to meet the rates made by the boats on the Missouri River the railroads put down their rates, and consequently the boats went out of business. The Senator from Ohio at that time, however, depreciated the value to Kansas City of that result, because he said that the railroads at the same time had lowered their rates to Chicago, so that relatively Kansas City was no better off in its rivalry for trade with Chicago than it was before. It was perfectly obvious from that statement, however, that not only the people of Kansas City but those of Chicago and all interested in transportation in the two cities got the benefit of the reduction, and instead of being confined to those interested in Kansas City its benefits were enlarged and more generally distributed.

Mr. GALLINGER. Mr. President, however that may be, I am entirely persuaded in my own mind that we might as well buy out the bus company that runs up Sixteenth Street, and put it in competition with the Baltimore & Ohio Railroad or the Pennsylvania Railroad to do business between here and Baltimore, as to undertake to compete with the great railroads on each side of a navigable stream in the matter of conveying freight of any kind. I do not believe it can be done. The American people have gotten beyond that point. They will not wait to have their goods transported by water. They want them delivered quickly. While before I get through I shall show that I am not at all hidebound in this matter, and I am quite willing to make reasonable appropriations to develop the great waterways of the country, yet I will never agree to the proposition that we ever can create a great commerce on those streams. It will not come in my day or in the days of the Senator from Washington or in the days of the youngest child that lives in the United States at the present time.

I will add, Mr. President, that I am fully persuaded—and I do not particularly find fault with that—that the great appropriations we are making for the Mississippi River to-day are made palpably and unmistakably for the protection of the property lying beyond the banks. It is admitted on all hands that that is true. In that connection, further, if I had my way, and any man were wise enough to tell what amount of money it would require to build dikes along both sides of that great stream that would absolutely keep the flood water inside of the dikes, I would vote for it as a great national project; but I would not have any expectation that it would float a great many additional steamships after we had done that work.

To continue, Engineer Whinery says, in speaking of the waterways:

The rapid multiplication of main or trunk railroads; the construction of branches radiating from points on the main lines, thus reaching the doors of commercial centers and points of production; the energetic and aggressive policy of their management, and the working arrangements between the companies enabling them to carry merchandise from point of shipment to destination without transfer, were all strong factors in their favor. Under such circumstances, even if all other conditions had been equal, the canals labored under such a disadvantage that they could not long have coped successfully with their progressive and alert competitors. This conclusion is confirmed by the fact that the natural navigable water courses have, in the contest with the railroads, fared but little better than the canals.

The question whether the canals and rivers labored under inherent disadvantages in competing with the railroads opens up the broad and much-controverted question of the relative efficiency and cost of water and rail transportation for inland commerce, which we may now discuss briefly.

The cost or the rate charged for transportation is an important though not a controlling consideration in freight carriage, though in the discussion of transportation agencies it is often so considered. High rates charged by one agency may be offset by advantages regarded by the shipper as more important than cost. The relative cost, per se, of water and rail transportation has been so thoroughly discussed everywhere that the subject need not be gone into here. There seems to be no ground for reasonable doubt that with conditions in each case relatively equal, the cost per ton-mile of moving freight by water is, and will probably continue to be, intrinsically less than by rail, and if, therefore, cost were the only consideration that governed the question, there could be little argument in favor of rail transportation. But it is not. Our common experience in the United States teaches us that very frequently, if not generally, the shipper will choose the more expensive route because he believes that the economy resulting from lower rates is more than balanced by other considerations. Some of these considerations are the following:

One element that affects the question of method of transportation, which, if not entirely ignored, is not accorded its true importance in the discussion of this matter, is the temperament and business habits of the people. The American people are sanguine and impulsive in temperament, and this disposition makes them energetic, aggressive, and impatient in commercial matters. When they decide to do a thing they wish to do it not only at once, but with the greatest expedition. The element of time is accorded an exaggerated value in our commercial transactions. However unreasoning and illogical such a disposition may appear to be, it nevertheless exists and exerts an important influence in the choice of transportation agencies. The faster passenger trains are the most popular with the commercial class. Two trains

may be equally attractive in all other respects and each may arrive at the common destination in good time for any business event. But if one is scheduled to arrive an hour earlier than the other, it will be preferred, even if an extra fare be exacted. If of two freight lines equally advantageous in other respects, the one will deliver a consignment of goods a day earlier than the other, it is given the preference, although the earlier delivery may offer no apparent commercial advantage. This element—the predisposition of the American people toward dispatch in commercial transactions—may be outside the pale of accepted economic theories, but it can not be ignored.

But this national preference for rapid transportation does not rest on temperament alone. Under our high-pressure business methods in general, expedition has its material advantages. Under a fluctuating market the farmer, the dealer, and the manufacturer, after deciding to place his product on the market, naturally wishes to consummate the transaction before prices may decline, and there may be an important advantage in reaching the market ahead of his competitors. The fact that the sale may be consummated before shipment does not really alter the situation. If not the seller, then the purchaser must run the risk of a declining market while the goods are in transit. The market value of a trainload of, say, 50,000 bushels of wheat may drop several thousand dollars in a single day, and the loss may determine whether the transactions shall result in a profit or a loss. If it be argued that prices are as likely to advance as to decline, it may be answered that the seller usually disposes of his goods when he believes the market to be high, and he therefore most fears a decline, while the buyer, if he believes the market likely to advance, is anxious to have his goods in hand so as to take advantage of that advance when it occurs. Some one must, of course, stand the gain or loss due to fluctuating markets, but each is usually anxious to shift the possibility of loss upon the other.

The item of interest during transit, while comparatively small, is not without some importance. At 90 cents per bushel, a cargo of 50,000 bushels of wheat is worth \$45,000, and the interest on this at 6 per cent per annum amounts to about \$7.50 per day, a sum not to be overlooked in close commercial transactions, particularly if, as between railroad and water transportation, the difference in time may amount to several days or even a week.

In the transportation of certain classes of articles, however, none of these considerations which make time an important element, is controlling, and then the question of the method of transportation becomes merely one of rates. Thus, in the case of the vast quantities of coal produced in the Pittsburgh region and marketed down the Ohio and Mississippi Rivers as far as New Orleans, a large part of it must necessarily be mined during the summer, but need not reach its destination until the winter. The interval allows ample time for transportation, the market price is stable, and the cheapest methods of carriage may be taken advantage of. In the case of all heavy or bulky articles where the cost of carriage bears a comparatively large ratio to value, and the market price of which is not usually subject to considerable or rapid fluctuation, slow and cheap transportation is permissible and advantageous. Thus while the whole of the coal and ore exchanged in the region of the Great Lakes is carried by water, more than half of the wheat and flour from the Northwest to New York is carried by all-rail, though the freight rate by rail is materially higher. Of the total receipts of grain and grain products received at New York in 1904, only about 10 per cent was carried by the Erie Canal.

It must not be overlooked that the bare statement that to carry 1 ton 1 mile on an improved waterway costs materially less than the same service on a trunk-line railroad may be misleading as a measure of the actual economy of transportation by the two agencies. The numerous elements that make up the aggregate cost of moving the ton of freight from the point of production or shipment to its destination must be taken into account. If, for instance, the northwestern farmer ships his crop of wheat by the lake and canal route to market at New York, it must first be transported by wagon or rail to the nearest lake port, delivered to a grain elevator, and thence transferred to the vessel. Arriving at Buffalo, it must be transferred from the lake vessel to the canal boat. Disregarding the money value of the unavoidable delays, the cost per bushel or per ton is the aggregate cost of moving the grain from his barn to the port of New York. If his farm be near a lake port, the cost of getting his grain aboard vessel may be small. But only a small part of the wheat-growing region lies near to the Lakes, and the great bulk of the grain must be carried considerable distances to reach a point of water shipment. On the other hand, there is scarcely a small village without its railway and rail connection with the trunk lines to the East, or to any other point, and the grain can, with short wagon haul, be delivered aboard cars to proceed thence undisturbed to New York. And though the nominal freight rate may be lower by the water route, the total cost of marketing the product may be less by rail than by water.

Freight rates are seldom a true criterion of the actual cost of transportation, though they seem to be so regarded by many of those who discuss transportation problems. Rates are ephemeral, determined often more by the existing conditions of competition and other temporary circumstances than by the intrinsic cost of the service rendered. To ascertain the true cost we must go below such surface indications and get down to the elementary cost of the service performed. No proper consideration of this question can be attempted in this paper, but attention may be called to one item of importance which is too frequently overlooked in the popular discussion of the question of actual cost of carriage. This is interest on investment. A railroad is both owned and operated by the same corporation. If, as is usually the case, it is constructed with borrowed capital, it must pay interest on that capital, and this "fixed charge," as it is called, must be met before any returns can be made to the owners. Interest on investment must therefore be taken into account in fixing the rates to be charged for services. Canals and improved waterways, owned and operated by private corporations, are subject to the same condition, but where, as is generally the case, canals are built or rivers improved by State or National Governments, it is now usual to make them free to navigation; that is, no toll or other remuneration to cover interest on the money invested in the improvement is exacted from users, who may therefore, in fixing rates to be charged, ignore this perfectly legitimate element of cost. Thus in 1851 the Erie Canal was made free to navigation and the tolls which the owners of boats were previously required to pay, could be deducted from the rates charged. Since that date the State has received no direct return upon the \$60,000,000 which the canal had cost. Interest on this sum at 5 per cent amounts to \$3,000,000 annually. Taking the year of heaviest business upon the canal, 1872, when it carried over 6,500,000 tons of freight, this interest charge would have amounted to about 45 cents per ton, and if it had been collected this



sum must have been taken into account in fixing rates. The fact that the State had been already reimbursed, from the tolls previously charged, for the whole cost of the canal, does not affect the principle involved.

Mr. President, I understand the Senator from Missouri [Mr. REED] desires to ask the Senate to proceed to the consideration of another bill. If the Senator will permit me to conclude the reading of this document, which will not take much longer, I shall be glad to yield then, or I will yield now.

Mr. REED. I would not think of interfering in any way with the Senator's own wishes; but it was suggested that the Senator probably would really prefer stopping for the present. If the Senator desires to conclude the document, that will be satisfactory.

Mr. GALLINGER. I think it will probably take about 15 minutes.

In like manner the National Government has expended enormous sums of money in the improvement of rivers and harbors for the benefit of commerce, without exacting any compensation therefor from those who make use of the improved facilities. In many cases any attempt to impose even interest charges would create such a burden upon the small commerce benefited as to make the resulting cost of transportation not only unprofitable but prohibitive.

Turning now to the probably future relations between the various agencies for transportation in the United States, we can speak only of apparent present tendencies and the conditions that may possibly modify them. Progress in invention and development has been, and continues to be, so rapid and so wonderful that any attempt to forecast the possibilities of the future must be ventured upon with caution. Particularly is this true of the possibilities in the application of electricity to transportation. At the present time it is difficult to conceive that this wonderful source or medium of energy can very largely change the course of present tendencies, but we have learned by experience to be very cautious in predicting its future. Only a generation has elapsed since the prediction that passenger transportation in our cities would be exclusively conducted by electrical power was regarded as purely visionary. What may seem to us utterly improbable, if not impossible, to-day, may become an accomplished fact before the end of another generation. Improbable as it may now seem, the possibility must be admitted that by some new application of electrical power to inland navigation, the most serious obstacle to its successful competition with the railroads—its slowness—may be largely overcome.

Chimerical as it may now seem, it is also within the possibilities that aerial navigation may in the future play an important part in the problems of domestic transportation.

It will be observed that this distinguished engineer was almost prophetic in the suggestions made in this statement as regards future development along the line of electrical and aerial possibilities.

But confining ourselves to sober probabilities, we may outline those probabilities as follows: It does not seem likely that inland navigation can ever again become a very important factor in the general freight-carrying business of the country. For the transportation of heavy or bulky merchandise of comparatively low and stable market value, conveyance by water will continue to possess such advantages over rail transportation that along the geographical lines followed by this class of commerce, artificial waterways are likely to be constructed, and existing rivers improved. This tendency will continue to be fostered by the construction or improvement of these waterways by the National and State Governments, making them free to navigation, and thus eliminating from the question of rates the element of interest upon the cost of construction.

But even under the most favorable conditions of development that now seem at all probable, it is likely that the canals that will exist in the future may be numbered upon the fingers of one hand. These few canals will doubtless be of far greater capacity than any yet constructed in the United States; they will be what are now called ship canals, with navigable channels of sufficient width and depth to carry vessels drawing at least 20 feet.

The geographical and commercial features of the country enable us to predict with a fair degree of confidence the general route and extent of these future canals. The most important one will occupy the route of the Erie Canal, connecting the Lakes and the Hudson River. The State of New York has already undertaken the construction of a canal from Buffalo to Albany, which is to have a general bottom width of 75 feet and a depth of 12 feet, designed to accommodate vessels of the barge type drawing 10 feet of water and having a load capacity of 1,000 tons each. These dimensions were decided upon after a very thorough discussion of the relative merits and cost of a canal of these dimensions and of a "ship canal" having a minimum bottom width of 115 feet and a depth of water of not less than 21 feet, designed to permit the passage of the vessels now navigating the Lakes and enabling these to ply between the Lakes and the harbor of New York. The present depth of the channels connecting the Lakes with each other is 21 feet. The estimated cost of the Barge Canal, as now projected, is about \$100,000,000. In 1899 an officer of the Engineer Corps, United States Army, estimated the cost of a ship canal having a water depth of 21 feet at \$150,000,000, but the cost of such work has largely increased since that time and there is good reason to believe that the cost of the 21-foot canal would now be almost double the sum he then estimated. Such an expense was deemed too large to be incurred by the State, and the National Government did not seem disposed to undertake the construction of a ship canal within the near future. The State therefore decided itself to undertake the construction of the Barge Canal, though there is very serious doubt in the minds of many able men of the wisdom of building any canal of less capacity than the 21-foot ship canal. It was even strongly urged by many able engineers and others that as the Lake channels and harbors will probably be deepened to 30 feet in the not very distant future, the canal should be constructed with that depth of water, thus providing that for a long period in the future not only Lake but ocean-going vessels could ply between the Lakes and New York as well as trans-Atlantic ports. Such a ship canal between Buffalo and the Hudson River would probably cost \$350,000,000, and it is very doubtful if the commerce that may in any future time use the route would justify any such enormous expenditure. The Barge Canal, the construction of which seems now assured, will be without doubt the most interesting experiment in artificial waterway transportation in the United States, and while the

results attained may not be conclusive they should supply very valuable data relating to the comparative value and economy of water and rail transportation. As its navigation will be free, it will undoubtedly be able to establish new low records in cost of freight carriage between the Lakes and the seaboard, but the element of time consumed will still be an obstacle in the way of its commercial success. The estimated average speed of vessels navigating it does not exceed 4½ miles per hour, whereas by rail an average speed of at least 20 miles per hour is entirely practicable. While it is not expected that loaded barges can make the trip from Buffalo to New York in less than 130 hours, exclusive of time to load and unload at the termini, through freight trains now cover the distance between the two points in 32 hours and this time might easily be shortened.

Now I shall be pleased to yield to the Senator from Missouri, if he desires me to do so.

Mr. SHAFROTH. The Senator from Missouri seems to have stepped out for a moment. I will send for him.

Mr. BRYAN. Mr. President, a parliamentary inquiry. What is the pending question?

The PRESIDING OFFICER. The pending question is the presence or absence of the Senator from Missouri [Mr. REED].

Mr. GALLINGER. I do not wish to yield the floor, Mr. President, and if it is necessary I will continue my observations on the river and harbor bill.

Mr. SHAFROTH. If the Senator will do so for a minute or so, the Senator from Missouri will be here. He went to the telephone. He is the senior member of the committee.

Mr. GALLINGER. I had reached chapter 2, and I thought I would prefer to take it up deliberately; but, as the Senator from Missouri is not present, I will proceed.

On the 28th day of May of the present year the junior Senator from Louisiana [Mr. RANDELL], of whom we are all very fond, asked unanimous consent to have printed in the RECORD what he termed "a very interesting and learned article on rivers and harbors." He said:

It is entitled "The inside of the pork barrel," by Hon. BENJAMIN G. HUMPHREYS, of Mississippi, published in the Saturday Evening Post of May 23.

The VICE PRESIDENT. Is there objection?

Mr. GALLINGER. What is the request?

Mr. RANDELL. That an article on the river and harbor bill entitled "The inside of the pork barrel," by Hon. BENJAMIN G. HUMPHREYS, of Mississippi, published in the Saturday Evening Post of May 23, may be printed in the RECORD.

Mr. GALLINGER. That is a most interesting pork barrel—the river and harbor bill. I have been looking at it, and if this throws any light on the subject I think we ought to have it printed in the RECORD.

Mr. RANDELL. It throws a good deal of light on it, and I hope the Senator from New Hampshire will read it and that every other Senator will read it.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows.

When I heard the title of that article stated from the floor I somewhat naturally concluded that it was a criticism of the river and harbor bill; but upon reading it I find that it is a very earnest discussion of the merits of the bill by a Member of the other House, and a very distinguished Member of that body, in which Representative HUMPHREYS apparently finds nothing to criticize, or not very much to criticize. In that article the Senator from Ohio [Mr. BURTON] is rather severely taken to task, one headline reading:

Senator BURTON's change of tune.

I think that was not in good taste; but the Senator from Ohio, in his illuminating speech, has answered for himself. I might say, in passing, that this article defends not only the present river and harbor bill but all former river and harbor bills. Mr. HUMPHREYS takes the sweep of the whole horizon, and he does not find in any river and harbor bill anything to criticize, unless it be an observation that I will quote.

At the end of the article the distinguished author says:

Every thoughtful citizen understands and confidently expects that the growing needs of this developing country will be reflected in increasing demands on the Public Treasury. What it is their right to demand and duty to require is that no project for the improvement of any waterway be undertaken by Congress that can not reasonably be expected to promote the general welfare. When such a project is adopted it is the part of statesmanship, as it is the duty of patriotism, to provide for its completion in such manner and in such reasonable time as will effect the result at the minimum cost.

And he continues:

If this rule be faithfully followed, the criticism of those who speak without knowledge and the censure of those who scold without reason may well be disregarded.

Mr. President, I suppose I am one of those who "speak without knowledge," and the Senator from Ohio is one who "scolds without reason"; but notwithstanding that we will both, under the rules of the Senate, exercise the right to criticize this bill in our own way. It is very evident, however, that if the suggestions of this enthusiastic advocate of river and harbor bills should be followed, scores of items would go out of the bill under consideration, for he says:

What it is their right to demand and duty to require is that no project for the improvement of any waterway be undertaken by Congress that can not reasonably be expected to promote the general welfare.



I shall in my own time and in my own way call attention to innumerable projects in this bill which, I think, fail to measure up to the standard set by the distinguished Representative from Mississippi.

In addition to the help toward the passage of this bill that Mr. HUMPHREYS contributed, a little later on the distinguished Speaker of the House of Representatives, probably of his own volition, caused to be published in a magazine a very earnest and emphatic indorsement of this measure, which had already passed the House of Representatives.

Mr. REED rose.

Mr. GALLINGER. I yield to the Senator from Missouri, if he desires.

Mr. REED. With the courtesy of the Senator, I move that the Senate proceed to the consideration of Senate bill 6398.

Mr. SIMMONS. I would much prefer, if the Senator could get it, that he should ask unanimous consent to temporarily lay aside the river and harbor bill.

Mr. REED. I will yield for the purpose of making that request.

Mr. SIMMONS. In view of the urgency of the matter which the Senator from Missouri wishes to present to the Senate, I will ask unanimous consent that the river and harbor bill be temporarily laid aside.

The PRESIDING OFFICER. The Senator from North Carolina asks unanimous consent that the river and harbor bill be temporarily laid aside. Is there objection? The Chair hears none.

#### AMENDMENT OF NATIONAL BANKING LAWS.

Mr. REED. I renew my motion that the Senate proceed to the consideration of Senate bill 6398.

Mr. SMOOT. Let me suggest to the Senator from Missouri that he ask unanimous consent, and then if the bill is not finished to-day it will not interfere with the regular order.

Mr. REED. It does not make the slightest difference. I will ask unanimous consent that the Senate proceed to the consideration of the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri?

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 6398) to amend section 1 of an act approved May 30, 1908, entitled "An act to amend the national banking laws."

Mr. REED. I think the bill has been discussed, and unless some one has something more to say upon it—

Mr. SMITH of Georgia. The first question will arise on the amendment—

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

Mr. REED. I yield the floor.

Mr. SMITH of Georgia. The first amendment offered to the bill is the amendment proposed by the Senator from Mississippi [Mr. WILLIAMS]. I suppose that would be the first question for consideration.

The PRESIDING OFFICER. The pending question is on the amendment offered by the Senator from Mississippi.

Mr. OVERMAN. I think the Senator from Mississippi ought to be here.

Mr. SHAFROTH. He should be notified in some way.

Mr. OVERMAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The Secretary will call the roll.

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

Ashurst	Hughes	O'Gorman	Simmons
Bankhead	James	Overman	Smith, Ga.
Bryan	Jones	Page	Smith, Md.
Burton	Kenyon	Ferkins	Smith, Mich.
Chamberlain	Lane	Pittman	Snoot
Chilton	Lea, Tenn.	Polindexter	Stone
Clapp	Lee, Md.	Fomerene	Swanson
Clarke, Ark.	Lewis	Ransdell	Thomas
Crawford	McCumber	Reed	Thompson
Culbertson	McLean	Robinson	Thornton
Fall	Martin, Va.	Shafroth	Walsh
Fletcher	Nelson	Sheppard	White
Gallinger	Norris	Shively	Williams

Mr. JAMES. I desire to announce that my colleague [Mr. CAMPDEN] is absent on account of illness in his family. This announcement may stand for the day.

Mr. LEWIS. I desire to announce the absence of the Senator from Indiana [Mr. KERN], his absence being occasioned by sickness in his family. I ask that the announcement stand for the day.

The VICE PRESIDENT. Fifty-two Senators have answered to the roll call. There is a quorum present. The question is on

the amendment offered by the Senator from Mississippi [Mr. WILLIAMS].

Mr. NELSON. I should like to have the amendment read.

The VICE PRESIDENT. The Secretary will read the amendment.

The SECRETARY. It is proposed to add a new section at the end of the bill, as follows:

SEC. 2. That in a case where a State of the United States has no city within its borders having a population of more than 50,000 inhabitants the Secretary of the Treasury is hereby empowered and authorized to recognize at least one city in such State, or, in his discretion, not more than three, as having a right to have its or their duly authenticated city or county bonds accepted by the Treasury Department as security for crop-moving deposits. Such cities so recognized shall be selected so as to best serve the agricultural interests of the State in which it or they may be situated, the amount of money to be deposited with such city or cities to be determined under such rules and regulations as the Secretary of the Treasury may prescribe.

#### DUTY OF A NEUTRAL.

Mr. STONE. Mr. President, as the Senate is taking recesses from day to day, in consequence of which the morning hour is dispensed with, I find that if I say what I wish to say about a matter that I consider of great importance I am compelled to interpose at some juncture like this. So I crave the indulgence of the Senate at this time that I may submit some observations respecting the duty of the American Government, and especially of the American people, during the terrible struggle now raging throughout Europe.

Some weeks ago the President of the United States gave out a most timely and patriotic address in which he set forth with great clearness the duty incumbent upon a neutral government and people in emergencies like that now confronting us. He appealed with great earnestness to our people to observe their obligations of neutrality with strict integrity, and warned them against the embarrassments that would arise during the progress of the war and of the evil effects that would follow thereafter if we failed to keep our pledge of neutrality with the utmost good faith. The effect of this appeal of the President became instantly manifest and was in every way most excellent. Undoubtedly that address has exercised a fine restraining influence upon the conduct, and even upon the expressions, of the great body of the people. But as this stupendous conflict progresses from week to week, growing in tragic intensity and horror, it has become the one all-absorbing subject of public thought and attention. And now, I regret to say, that we have everywhere increasing evidences that many of our people are being more and more divided into groups, and that these groups are becoming more and more sympathetic and outspoken partisans of the one or the other side of those engaged in this titanic conflict; and especially is this true of a large number of our most important and influential daily and periodical publications. Because of this, Mr. President, I feel that it would be wise and opportune at this time to add a word of admonition to the warning sounded by the Chief Magistrate.

Mr. President, the citizenship of this Republic is strikingly composite in character. The sturdy descendants of the Puritan and Cavalier—the old Revolutionary stock—are happily still numerically strong enough to exercise a controlling influence on the destinies of the Republic. At the same time we face the tremendous fact—for just now especially it is a tremendous fact—that mingled among those descended from the original American stock are millions of men and women who have immigrated from Europe, established homes in these States, and assumed the dignity and responsibility of American citizenship. They have become a permanent and essential part of our people and have entered fully into all the social, industrial, and political activities of the country. Every important country of Europe is represented in this naturalized foreign-born population or in their immediate offspring. All political divisions of Great Britain, France, Belgium, Germany, Austria-Hungary, Russia, Italy, Greece, and the Balkan States are represented in the vast aggregate of this foreign-born population. As they look upon the frightful panorama of this war, with its awful scenes of fire and flood, famine and death, it is not only natural but almost inevitable that the sympathies of these people should be poured forth in strong currents upon their respective fatherlands. It is only human that this should be so, and none, in fact, could expect less. But, Mr. President, so far as lies within my power, I wish to admonish these, my fellow citizens, and to impress upon them a renewed realization of the supreme and all-important fact that they are above all American citizens. I know that every Senator here will approve and sympathize with me when I appeal to these American citizens of every nationality to keep steadily before their minds the obligation and responsibility that they are under to first serve and promote the interests, welfare, and honor of our own Government and people. Therein lies the first duty of citizenship and the first obli-



gation of loyalty. Sympathy is an impulse of the heart and mind, and is usually beyond human control. Moreover, sympathy for our kindred in time of stress is so natural and altogether so honorable and ennobling that no man with a spark of that kindred feeling of brotherhood common to all mankind would wish to eradicate or suppress it. But, lest we forget, I would again admonish my countrymen that sympathy is one thing, while that kind of aggressive partisanship which divides us into warring factions and stirs within us the hot blood of battle is another and very different thing. Above all, we must hold fast to our own national duty and obligation, and any man who falls short of that falls below the standard of good citizenship.

Another thing to which I desire to call especial attention and emphasize is the partisan attitude being assumed by many of the great publications of this country. Knowing how potent these publications can be in creating public opinion and in fomenting factional strife, it is natural that those upon whom the responsibilities of government are cast should look upon this particular phase of partisanship with deep solicitude and apprehension. The managers of these great publications, even far more than individual citizens in more private walks, should be very mindful of the patriotic duty they owe their own country in this great emergency. It is a source of profound regret that so many influential journals and periodicals are beginning to take sides in this mighty contest, and are beginning not only to express their sympathies for the one side or the other, but to indulge in harsh criticism and sometimes in denunciations of the Governments and the armies of those with whom they are not in accord. This is not only hurtful at home in exciting animosities among our own people, but it creates bad impressions and arouses hot resentments abroad; and moreover it should be manifest to every man that this sort of thing works estrangements and makes free and cordial intercourse between this Government and the Governments of the nations at war more difficult and embarrassing. How can any patriotic and right-thinking American forget that ours is the only one of the great world powers holding the enviable but delicate position of absolute neutrality? To that policy, founded upon the love of peace and springing from an honest desire to be of service to mankind, we are pledged by the most solemn assurance, and to a strict observance of that pledge we are bound by every consideration of national interest and honor. It is amazing that great editors and publishers should so forget the supreme duty they owe to their own Government as to become callous about and thoughtless of the Nation's plighted faith, and to indulge in vituperative attacks upon the rulers or the Governments of any of the belligerent powers, or seek to arouse against any of them a hostile public sentiment in this country.

That sort of thing can not stay the hand of war nor change the issue on a single battle field, but it will provoke bitter feeling and lead to criminations and recriminations among our own people, thereby exciting feuds and endless discord that it will take years to silence; and it will excite against us a hostile spirit among those nations which may be led to believe that in sympathy and judgment we are against them, and that our profession of impartial neutrality is empty and insincere. How can any man forget that each of the great nations embroiled in this frightful war, relying upon our neutrality and believing in our profound concern for its welfare, has placed its diplomatic interests in the hands of our Government? Thus we have voluntarily assumed the delicate task of mediator between these various powers. As the representative of all, and professing impartial and equal friendship for all, this great Nation stands towering before the world with its hands extended to promote the cause of peace whenever and wherever opportunity offers. With our Government holding this position is it not almost wicked for any American to thrust himself into this tremendous struggle in such a way as to weaken our power for good? Is it not perfectly plain that our power for effective mediation will be diminished if ever any of the Governments vitally concerned becomes convinced that in our hearts we are unfriendly to it and would rejoice at any ill befalling it? And then looking beyond the end of the war, will not the spirit of resentment and universal ill will linger among the people of that nation? Remember, it is a hard thing, my countrymen, for your Government to maintain its attitude of strict neutrality and discharge the solemn duties incident to that position unless you yourselves stand by your Government and nobly uphold its hands. Why should any American at this time attack the Kaiser and the German Government and offend the German people? Whatever anyone may think of the policies and methods of the German Emperor and his Government, this is not the time to give expression to his views in offensive terms. And here let me remark that whatever else may be said of the German Kaiser,

this much must be conceded: That in all Europe no man exceeds him in commanding ability, in individual force, and in devotion to his Fatherland. And whatever may be said in criticism of the German people, it must be conceded that nowhere on earth can be found a more frugal, industrious, progressive, home-loving, patriotic, and devoted people.

The masterful work they have performed in creating a mighty empire and in making it the seat of industry, of literature, of art, and of all the things that conduce to a high civilization is one of the marvels of this generation. We have millions of Germans mingled in the population of this Republic, and they furnish constant and convincing proof of the high type and character of the German people. There are ties of blood and fellowship and memories running back through our history to the Revolution that should stir within our hearts a warm attachment for the great people along the Rhine who have given the world so many evidences of their just claim to greatness. Again, why should any American go into the open to attack Great Britain or France? The great body of our original American stock sprang from the British Isles—England, Ireland, and Scotland—and the ties of blood binding Americans to the people of Great Britain should be strong enough to restrain all Americans from any act or word offensive of this wonderful and mighty nation—a nation having few parallels in great achievement throughout the history of the world. Why should any American go into the open to speak ill of France, the land of Lafayette? What thrilling chapters have the genius, the learning, and the valor of France written on the pages of history. And so, Mr. President, I might run this line of comment through all the nations involved in this terrible and ever to be lamented tragedy. We are, and we should be, a friend to all these nations and all these unhappy peoples in this day of strife, when all of them stand in such woeful need of a powerful and honest friend. Never in human history has a great nation had such a magnificent opportunity as ours to perform a glorious work for mankind and to set a noble example for the guidance of the human race. All we have to do is to keep faith with ourselves and with our friends, always waiting and watching, as we should be, for opportunities to render some service to those who are suffering from the sanguinary and destructive turbulence with which our friends and kindred abroad are so beset. To successfully accomplish this work we have to do, it is vitally necessary that not only our Government but our people should firmly maintain our position of absolute neutrality.

Mr. President, I clipped the following from a Washington paper last Sunday:

Mr. Henry White, late ambassador to France and for 20 years a distinguished figure in American diplomacy, has reiterated from Copenhagen his advice to his countrymen to remember that this war is not of our making and none of our business. As Mr. and Mrs. White are awaiting a ship to bring them home after passing the summer with their son-in-law and only daughter—

Who are subjects of the German Empire—they may be credited with the highest patriotism in urging strict neutrality for all Americans.

This timely and patriotic utterance of this eminent American diplomat voices the spirit that should animate all Americans. How profoundly I wish that his admonition might find lodgment in all our hearts and set the measure for our utterances and our conduct.

From the same paper I also clipped what I now read:

#### AMBASSADOR PROTESTS.

The Turkish ambassador to-day vehemently protested against "the jokes and jibes aimed at Turkey in the American newspapers."

"These attacks show a great lack of feeling and tact," the ambassador declared, "in connection with such a grave matter as events which may threaten the destiny of nations. Turkey has come in for a great deal of pleasantries, and, speaking on behalf of the Turkish Government, I must protest."

The ambassador was without cable communications with his Government to-day, but he said Turkey still protested her neutrality.

Mr. President, I confess myself ashamed that there should be American publications in sufficient number pursuing a course that makes it necessary for an ambassador of a friendly nation accredited to our Government to make this public protest. I am sure that whatever has been done in this behalf was not done because of ill will or out of any desire to offend; rather it is the result of thoughtlessness, or the absence of a proper sense of responsibility.

Mr. President, it was because of just such things as this, and because of such things as I have ventured to complain about, indulged in to excess during the Russo-Japanese War, that almost cost us the friendship of Russia—a friendship that had become traditional. Since that war the relations between Russia and the United States unfortunately have not been characterized by that degree of amity which had prevailed for decades before. This causeless disturbance of our friendly relations with Russia,



foolishly provoked by thoughtless conduct on the part of our own people, has worked seriously to our disadvantage. Particularly did we find this to be so when we came to negotiate with Russia to bring about more favorable conditions for the Jewish people in that Empire. It is hard to break through the crust of prejudice and habit and aid those who suffer when we attempt to negotiate with a nation whose Government and people regard us with suspicion and disfavor. It is always easier to deal with one who looks upon us as a friend. It behooves us therefore to so act in all things as to avoid the danger ever present in this grave emergency of arousing a deep-seated resentment and prejudice against us on the part of any of the nations embroiled in this terrible war. Let us keep true to the course we have marked out for ourselves. If only we do this, we will perform a part in this stupendous era of world-making history that will redound forever to the honor and glory of our great Republic.

In addition to what I have said, there are other reasons founded on commercial and economical considerations that should urge us to maintain the most prudent and conservative form of neutrality; but I would consider it unworthy to place this appeal to my fellow citizens upon that ground. Mere selfish considerations looking to profit and gain for ourselves for performing a duty which should be performed solely for higher and nobler reasons should not intrude themselves upon our thought when we are deliberating upon opportunities for doing something for the good of mankind and for the honor of our country. Possible commercial benefits to us raise considerations wholly apart from what I have been discussing. If, indeed, the misfortunes of war, so destructive to others, should eventuate in commercial and business advantages to our people, there is no reason why we should not in a proper spirit avail ourselves of opportunities coming in this way to the fullest extent. But aside from all that, and far above all that, we should keep absolute faith with the nations of the world and deeply and truthfully impress all of them with a positive belief in our sincerity and in our desire to grasp hands with them in a spirit of honest friendship, and to aid all of them to the utmost in every way we may find open for such a service.

Mr. GALLINGER. Mr. President, I have listened with profound interest to the remarks just delivered by the distinguished Senator from Missouri [Mr. STONE]. It seems to me they came at the right time and in the right spirit, and that we all ought to appreciate their force and the necessity of giving heed to them. I rise to ask that they may be printed as a Senate document, and that 5,000 additional copies may be printed for the use of the Senate document room. (S. Doc. No. 578.)

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

PRESIDENT'S PROCLAMATION, ETC. (S. DOCS. NOS. 576, 577).

Mr. THOMPSON. Mr. President, many very able and interesting statements have been issued by President Wilson during his administration, some of which have attracted the attention of the people of the entire world, particularly his recent most patriotic utterance relative to neutrality by the American people during the terrible and most deplorable European war. This statement has already been made a public document. One of the most interesting statements was made by the President on September 4 in the form of a letter to Representative DOREMUS of Michigan concerning the political situation in this country and in explanation of his inability to actively participate in the present political campaign. Another very remarkable, profound, and timely statement was issued yesterday in the form of a proclamation urging the people of the Nation to unite in prayers for peace on Sunday, October 4, 1914. I ask, Mr. President, that this letter and proclamation, which I now present, be printed separately as public documents.

The VICE PRESIDENT. Without objection, it is so ordered.

AMENDMENT OF NATIONAL BANKING LAWS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 6398) to amend section 1 of an act approved May 30, 1908, entitled "An act to amend the national banking laws."

Mr. SHAFROTH. Mr. President, at the time the discussion closed on the bill which is now before the Senate there was pending an amendment, proposed by the committee, increasing the percentage of the issue of circulating notes based on commercial paper from 75 to 80. At that time having the floor, and the Chair asking whether or not the amendment would be insisted upon, I withdrew the amendment, but I feel perhaps I had no authority to do so. So I should like to have a vote on the amendment, and I should like to say a word in relation to it.

The reason 80 per cent has been designated is this: The amendment which has been made to the Aldrich-Vreeland act

provides that currency may be issued to the extent of 125 per cent of the capital and surplus of the bank. Eighty per cent of 125 per cent is par—is \$1; consequently it is easy calculation. When a banker knows that he can issue that percentage he can always keep it in mind that in the emergency the issue based on commercial paper may be to the amount of the capital stock and surplus of his bank, provided, of course, that the collateral security is acceptable and of the kind specified in the act.

Mr. SMOOT. Mr. President, will the Senator from Colorado yield to me at this point?

Mr. SHAFROTH. Yes, sir.

Mr. SMOOT. I think the Senator from Colorado is mistaken in his statement of the provisions of the bill. The bill simply proposes to amend the existing act by increasing the percentage from 30 to whatever per cent we may agree upon.

Mr. SHAFROTH. Oh, no. Under this amendment—

Mr. SMOOT. Just one moment.

Mr. SHAFROTH. Very well.

Mr. SMOOT. And the law as it now stands authorizes an issue by any national banking association of circulating notes based on commercial paper not in excess of 30 per cent of its unimpaired capital and surplus.

Mr. SHAFROTH. Yes.

Mr. SMOOT. All that the bill now under consideration proposes is to increase that limit from 30 per cent to 75 per cent, and the amendment proposed by the Senator from Colorado seeks to make it 80 per cent.

Mr. SHAFROTH. Yes; that is the amendment.

Mr. SMOOT. Wait until I get through, if the Senator pleases. But the amendment of which the Senator speaks authorizes an issue of 125 per cent. That is based upon bonds and has nothing whatever to do with commercial paper. The statement that the Senator makes that it is easy to figure 80 per cent of 125 per cent, which would be par, has nothing whatever to do with this bill.

Mr. SHAFROTH. Mr. President, the Senator has become confused as to what I am trying to do. We have a bill here now which provides for an increase of from 30 per cent to 75 per cent. The committee amendment to the bill is to strike out "75 per cent" and insert in lieu thereof "80 per cent," and of course the question will come up as to whether the amendment will be adopted at all which changes the 30 per cent to 80 per cent.

Mr. SMOOT. I understood that.

Mr. SHAFROTH. Inasmuch as this is a committee amendment, which is entitled to be voted on first, it necessarily follows that this amendment should be presented and be passed upon before the other question arises.

Now, as to the 125 per cent, I wish to say that that is the total amount of currency that can be issued under the Vreeland Act to any bank, and not only bonds but commercial paper to the extent of 30 per cent may now go in to make up the security for that 125 per cent. Consequently the amendment I have proposed does not involve much of an increase; it is not intended to affect that question. It does, however, make the calculation easy; it enables every banker to know instantly that he is entitled to currency, namely, to the amount of the capital and surplus of his bank, and it seems to me—

Mr. SMOOT. Mr. President, this is the first time I ever heard a Senator try to make it appear that it is necessary to change a rate virtually agreed upon in order to make the computation easy for bankers. I want to say to the Senator also that the Senator who reported the bill, the chairman of the Committee on Banking and Currency, agreed with me that he would only ask to increase the limit to 75 per cent.

Mr. SHAFROTH. I will state to the Senator that the committee examined the matter and concluded that they would report in favor of 80 per cent instead of 75 per cent; consequently, the members of the Banking and Currency Committee have taken that view, strange as it may appear to the Senator from Utah.

Inasmuch as the bill proposes to increase the limit from 30 per cent to 75 per cent, an increase from 75 per cent to 80 per cent does not constitute such a radical difference, if there are any considerations of convenience in favor of the one over the other.

Mr. SMOOT. Well, there is no consideration of convenience involved. Every banker in the country knows that if he has a hundred thousand dollars capital and surplus, 75 per cent of that amount is \$75,000, and it is just as easy to figure 75 per cent, and a little easier than to figure 80 per cent. One would be three-fourths and the other four-fifths; that is all there is to it, and it seems to me the reason offered for the increase is a very poor one.



Mr. REED. Is the difference great enough to spend much time discussing it?

Mr. SMOOT. I do not think it is. All I say is that I think the inflation, call it temporary if you wish, from 30 to 75 per cent on commercial paper, is a serious step to take at one time under the plea that it is an emergency measure. Therefore, Mr. President, I sincerely hope that the committee will not insist upon increasing the limit to more than 75 per cent, because I think that is the very utmost extent to which it ought to go, and even further than it ought to go for safety.

When the Vreeland-Aldrich bill was being considered, not only in the House of Representatives but in this body, it was proposed to make the limit upon commercial paper 25 per cent, but we did reach out and increase it to 30 per cent. Many Senators and many Members of the House thought that 30 per cent was an exceedingly large amount of currency to issue on commercial paper, but now it is proposed to increase that to 75 per cent, and the Senator from Colorado asks us to further increase it to 80 per cent.

Mr. President, I do not believe there is any emergency at this time to justify any such expansion or inflation.

Mr. WILLIAMS. Mr. President—

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

Mr. SHAFROTH. In a moment I will conclude my remarks. In answer to the Senator from Utah, I will say that this feature of the bill has no relation, it seems to me, to the question of inflation, because the 125 per cent provision is what controls the quantity of the money. The other provision simply relates to the kind of security that can be utilized. For that reason, it seems to me that, whether the limit is 75 per cent or 80 per cent, it does not affect that question.

Mr. SMOOT. If the Senator's argument is good, then there is no need for this bill at all.

Mr. SHAFROTH. Oh, no; I do not think that follows.

Mr. SMOOT. The reason why this proposed legislation is being asked for is that the bankers are not able to furnish the security required to enable them to get the 125 per cent of currency of which the Senator speaks; and if what the Senator now says is to be considered by the Senate, then I will ask the Senate not to pass the bill.

Mr. SHAFROTH. Mr. President, the amount of currency issued on first-class commercial paper should go to the extent of perhaps even 125 per cent if we are going to put in force the other amendment to the Vreeland Act which we have passed.

Mr. SMOOT. And the Senator does not call that inflation?

Mr. SHAFROTH. It must be remembered that this is a temporary measure. All the currency issued under it is bound to be retired.

Mr. SMOOT. When?

Mr. SHAFROTH. Of course, in times of emergency it is necessary to issue more money than at other times. The Bank of England has issued \$500,000,000 without having gold back of it, as has been its custom, because the exigencies of the case require such action, and the exigencies of the case with relation to this matter require that something shall be done. We have provided all the safeguards here in the world. The currency proposed to be issued will have to be issued upon bonds or issued upon first-class commercial paper to not more than 80 per cent, if my amendment prevails, or 75 per cent, if the bill as first reported by the committee prevails. That commercial paper, representing transactions in commerce, is regarded as the very highest class of paper known to bankers. It seems to me, in view of that, that the difference between 75 and 80 per cent is absolutely foreign to the question, except to an infinitesimal degree.

Mr. SMOOT. The Senator says that this will be only a temporary measure, and that it will be repealed. The Senator does not know that. The Senator can not say that with certainty. In fact, Mr. President, I do not believe the act is going to be repealed; and, so far as I am concerned, I want to say now that I hope it will not be repealed, because I believe that in the future the Vreeland-Aldrich Act will be the act that will be used and put into operation quickly by the business interests of this country whenever an emergency arises. I do not refer especially to the emergency of war, but such an emergency as arose in 1907. The Vreeland-Aldrich Act, had it been in operation then, would have relieved that difficult situation as easily and quickly and just as thoroughly as any law that we could pass to-day.

Therefore, Mr. President, I believe that when we amend that law by this bill it is not going to end on the 30th day of June, 1915, because I think that it will be extended beyond that date; and I want to say again that I hope it will be extended.

Mr. SHAFROTH. Mr. President, while the Senator may hope so, and while it may be that the exigencies may arise at that time which will require that it should be extended, the provision of the Federal reserve act is to the effect that the Vreeland-Aldrich Act shall expire on the 30th day of June, 1915, and that is the last expression which we have as to the intention of Congress with relation to that act. That being the case, it seems to me that it is temporary—it is an emergency matter—and therefore I ask for a vote on the question.

Mr. WILLIAMS. Mr. President—

The VICE PRESIDENT. The pending question is on the amendment of the Senator from Mississippi.

Mr. WILLIAMS. Mr. President, the other day I offered an amendment to constitute section 2 of the pending bill—Senate bill 6398. The amendment was meant to meet a defect which I find can be met and will be met by the administration under the law and will not require the amendment. I therefore ask leave to withdraw the amendment which I send to the desk.

The VICE PRESIDENT. The bill is in the Committee of the Whole and open to amendment.

Mr. SHAFROTH. Then I ask for a vote on the committee amendment.

The VICE PRESIDENT. The Chair is not responsible for what is done on the floor of the Senate. The Senator from Colorado was in charge of this bill. On September 4 he withdrew the amendment. There is not any amendment now pending to the bill on behalf of the committee. Whether the Senator had power to do it or not is not for the Chair to say, but it was withdrawn.

Mr. SHAFROTH. Then, Mr. President, I offer the amendment now, to strike out the word "seventy-five" and to insert in lieu thereof the word "eighty."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 2, lines 3 and 4, it is proposed to strike out the word "seventy-five" and to insert in lieu thereof, the word "eighty."

Mr. SMOOT. Mr. President, I will not say anything more in relation to the advisability of this amendment; but I wish to say to the Senate that the chairman of the Banking and Currency Committee, before leaving here on September 4, told me that he was perfectly satisfied with the 75 per cent, and that the department was satisfied with the 75 per cent, and drew the bill for 75 per cent.

I hope the Senate will stand by the 75 per cent, and vote this amendment down.

Mr. SMITH of Michigan. Mr. President, I should like to ask the Senator from Colorado if he has any figures which will show the maximum amount of emergency currency that may be issued under this proviso if each banking association exercises its right to do so.

Mr. SHAFROTH. I will say that I have no figures upon the point suggested, but there are restrictions under the provisions of the amendment which has already been passed—namely, that an amount equal to 125 per cent of the capital and surplus of the banks may be issued under the Aldrich-Vreeland bill—and then there is the curb upon it with relation to a tax of 3 per cent per annum the first three months and an increase thereof of one-half per cent each month thereafter, and there is the requirement as to a gold reserve. It seems to me with these restrictions the money issued will be limited to a reasonable and fair amount and to the exigencies of the occasion.

Mr. SMITH of Michigan. That hardly goes far enough. Suppose the maximum which we provide here exhausts the maximum of our act, then where is the favor to be shown? I should like to know whether it will exceed the maximum provided in the law, which you have already increased from \$500,000,000 to \$1,000,000,000.

Mr. SMOOT. I will say to the Senator from Michigan that it will not exceed the maximum amount, but out of the billion dollars, if the banks take advantage of this with the amount of capital and surplus they have, it will be between six hundred and seven hundred million dollars on this one class of securities.

Mr. SHAFROTH. Yes; but the Senator does not refer to the change from 75 to 80 per cent.

Mr. SMOOT. Oh, no; I mean the whole amount of the 75 per cent. That is what I meant.

Mr. SMITH of Georgia. Still, in that case also the notes already issued would be deducted.

Mr. SMOOT. Oh, they would have to be under the law. Of course \$250,000,000 has been issued up to date, but under the law they can not issue more than a billion dollars, and therefore the balance of the whole amount to be issued could be issued under this amendment, if it is carried at 80 per cent, nearly to the maximum amount.



Mr. SHAFROTH. This being the best security, it seems to me that we had better have that security back of as much of it as we reasonably can.

Mr. SMITH of Michigan. Does not the Senator from Colorado think that if the entire maximum amount provided by this act is issued, as it may be, and as I have little doubt it will be, it will be such an inflation of our currency as to greatly disturb values?

Mr. SHAFROTH. I will say to the Senator that I do not believe anywhere near the maximum amount will be issued. This has been the law now since the 4th day of August, for over a month, and the crisis has been more imminent in the past month than perhaps it will be in the next; and yet, out of the amount that could have been issued, namely, over a billion dollars, only \$250,000,000 has been applied for.

Mr. SMOOT. The Senator knows, however, that there are applications in that have not yet been fulfilled. In other words, I know there are applications from other parts of the country that have not as yet formed their associations as required under the law, but they have made application to the Treasury Department for permission to join some other association. For instance, I will say to the Senator frankly that within the State of Utah, we will say, they have not the capital of \$5,000,000 they are required to have under the law to form a currency association. They have made application to join the San Francisco Currency Association, and the other day it was granted. Not only is that the case in the instance to which I refer, but I know of other cases of exactly the same kind.

Mr. SHAFROTH. They would not do that unless it was almost imperative that they should have money. The Senator does not want failures to occur. He does not want men to be ruined in business because they can not get money.

Mr. SMOOT. Why, Mr. President, I did not make the statement with any view of saying that they should not have it. I made the statement simply upon the statement made by the Senator that there had been only \$250,000,000 applied for, and as showing that that was not all that was going to be applied for, because I know of other amounts that would be applied for.

Mr. SHAFROTH. The exigencies of this occasion are due to the fact that the country banks, the small banks that have not got bonds to comply with the terms of the act, desire to be given the opportunity to come in and get some of this currency upon giving their security, and having that security also indorsed by an association of banks, which makes the currency doubly secure.

Mr. POMERENE. Mr. President, I should like to ask the Senator from Utah a question. It was stated here the other day, and repeated again to-day, that up to perhaps the middle of last week about \$250,000,000 of currency was issued under the Aldrich-Vreeland Act. Now, the Senator from Utah states that he knows of applications that have been made for additional currency, which has not yet been issued. Can he state to what amount applications have been made for currency which has not yet been issued?

Mr. SMOOT. No; I can not.

Mr. POMERENE. Is it any substantial amount?

Mr. SMOOT. I think it will be, by the time the regular routine of joining the associations shall have been accomplished.

Mr. POMERENE. Mr. President, in view of the fact that up to date only \$250,000,000 of this currency has been issued, and under the Aldrich-Vreeland Act as amended \$750,000,000 may yet be issued, I confess I do not see why this limit of 75 per cent of commercial paper should be increased to 80 per cent, and I for one shall vote against it. If there were any evidence at all here that the amount of currency which can be issued under the Aldrich-Vreeland Act was about to be exhausted, I might feel differently about it, but until there is some real emergency which requires this increase from 75 per cent to 80 per cent, I do not feel that I ought to vote in favor of it.

I wish to suggest further, while I am on my feet, that I am satisfied from what I have learned—and this is perhaps an impression rather than the statement of an actual fact—that the banks now, many of them, have much more currency and money in their vaults than they are required to have under the reserve act, and I know that many of them are contracting their loans rather than expanding them. Word has gone out to many of the note brokers of the country to the effect that the banks would loan no more money.

I know that that is true at least to some of the manufacturing establishments in my own State. It seems to me that if some of these banks—I am speaking of those in the Northern States—were extending the accommodations they ought to extend, there would not be this unusual cry at the present time for more money.

Mr. CRAWFORD. Mr. President, before the Senator takes his seat will he permit me to ask him a question?

Mr. POMERENE. Certainly.

Mr. CRAWFORD. I was absent for a few days, and did not meet with the Committee on Banking and Currency; and knowing the Senator to be a member of it, I wish to ask him whether or not this proposal to permit the increase to 75 per cent was the result of any urgent request on the part of the Treasury Department?

Mr. POMERENE. Mr. President, in answer to the Senator from South Dakota I may say that at the time the committee had this matter under consideration I was acting as one of the conferees on the trade-commission bill and was not able to be present. I have since learned that the Federal reserve bank directors have asked for this increase.

Mr. SMOOT. To 75 per cent.

Mr. POMERENE. From 75 to 80 per cent.

Mr. SMOOT. No; to 75 per cent.

Mr. SHAFROTH. I will say to the Senator that the department has regarded this whole bill as very important, and it did suggest the increase from 75 to 80 per cent.

Mr. CRAWFORD. Of course, I think no Senator desires to obstruct in any way any necessary legislation that the emergency existing in the country requires; but it has seemed to me that under the stress and because of the great concern that exists there is a temptation to be constantly changing this law and changing the Aldrich-Vreeland law that has become almost a habit.

Under the Aldrich-Vreeland law as it stands and as it has existed the power to issue emergency currency has not been exhausted. It has been invoked only in a moderate degree. I think we ought to be pretty cautious about passing so many of these laws, making it still more easy and still more easy to increase the currency. I am not impressed by the suggestion to go still further than the 75 per cent and authorize an increase to 80 per cent. In fact, I have some mental reservation about the wisdom of increasing at this time the amount which the Aldrich-Vreeland Act now permits. I doubt whether the necessity for it exists. I do not feel like speaking in a dogmatic way about it.

Mr. SHAFROTH. Mr. President, does the Senator understand that it is not compulsory that this shall be done? It is all within the discretion of the Federal Reserve Board.

Mr. CRAWFORD. Certainly; but enlarging the power all the time increases the temptation to use the power, and unless it is necessary it ought not to be done.

Mr. REED. Mr. President, I want to offer a mere suggestion, in the hope that we may dispose of this matter speedily; that is, as speedily as possible.

This bill is not intended to do anything except to meet the conditions until the Federal reserve banks can be organized and put thoroughly upon their feet. It is not so radical as Senators may be inclined at first blush to regard it.

To begin with, we have passed what is known as the Federal reserve act, which proposes to issue currency without limit, except the discretion of the board, and except the automatic limit of gold reserve required by the act. Every dollar of the money to be issued under that act, which is now the law, is based upon commercial paper. Why, then, should we become startled because it is proposed to allow some currency to be issued under the Aldrich-Vreeland Act upon the same class of securities we propose to put back of all the money to be issued under the Federal reserve act?

Mr. SMITH of Michigan. Mr. President, if the Senator from Missouri will permit me, it never was intended that commercial paper should be embraced within the provisions of the Aldrich-Vreeland Act at all.

Mr. REED. Oh, I understand that.

Mr. SMITH of Michigan. This is a departure, and it is evidently done to meet an exigency.

Mr. REED. But it is a departure that we have already made. Let us not get any blood in our heads. Let us see if we can not get this down to a sort of "round table" talk, and just understand it.

When Mr. Aldrich drew his bill—and it was in some respects, I think, a very great and wise bill—he had the idea of issuing money only upon bonds. That was the theory of the bill. The limit of 30 per cent on commercial paper was fixed. Since that time we took up the question of banking and currency, and we have enacted a law, and we have declared a policy by the enactment of that law. Now, what is it? Just as soon as the Federal reserve banks can be organized we propose to begin to issue currency similar to this—not identical, but very similar—and back of it we propose to put commercial paper alone. Now, if that is sound and safe—



Mr. BURTON. Mr. President—

Mr. REED. I will ask the Senator to wait until I have finished the sentence. If that is sound and safe with reference to the banking and currency bill, it is not a startling thing to embrace the same principle within this bill, which is merely temporary.

Mr. BURTON. Mr. President, will the Senator from Missouri yield to me now?

Mr. REED. I yield to the Senator from Ohio.

Mr. BURTON. Is there not this very vital difference between the Federal reserve notes and the Aldrich-Vreeland notes—that under the Federal reserve act a gold reserve of 40 per cent is required in addition to 100 per cent commercial paper, while in this case there is a reserve of 5 per cent against national-bank notes and an additional 5 per cent reserve?

Mr. REED. Oh, yes; the Senator is correct, and he will mark what I said—that it was a currency similar in its nature but not identical. It is true that under the Federal reserve act a 40 per cent gold reserve is required. It is also true that that gold reserve can be invaded under certain penalties. It is further true, however, that money can be issued upon commercial paper under the Federal reserve act on much more liberal and generous terms than in this bill, and that there is no limit on the amount which can be issued; whereas in this bill, I think, as an offset to the gold reserve, there is the limitation, first, to 125 per cent of the capital and surplus, no bank being allowed to get more than that; and, second, there is a limitation of 80 per cent on commercial paper, the rest being required to be in the character of securities now named in the Aldrich-Vreeland Act.

I do not think this is startling. I do not think it is dangerous. I think it is only temporary. This provision has been gone over very carefully by the Federal Reserve Board. I am very sure they are not inflationists.

I want to call the attention of the Senate to one other thing, in the mildest manner I can possibly assume. We are to-day confronted by wholly abnormal conditions. One can hardly imagine the coordination of so many untoward circumstances as are now before us. By that I do not mean that our country is on the verge of collapse, but the great war in Europe has completely upset many of the usual commercial conditions, and right now we are compelled in a way to meet circumstances that are totally abnormal. I hope we can pass this little measure, which places no vast power in this board and which is temporary and, I think, very necessary.

I want to submit just one further observation. Senators are inclined to think at first blush that this means that every national bank in the United States belonging to a currency association will at once come down and get this money. Mr. President, that will not be true at all.

There will be whole sections of this country, probably, that will not want any of this money. There will be sections of the country that will want it at one period of the year and at another period will not want it; but there will be other sections of the country that are just now, or in the near future may be, hard pressed for money.

They need money down South now. The banks of the South need money, not because they are not entirely solvent, but because they have to meet an unusual condition. The banks of the great Central West will soon need large sums of money, or, indeed, have had large sums of money, and I think they are almost ready to begin paying it back, because the crop has been to a large extent moved. Still, however, there remains the great corn crop.

So what will happen, or, at least, what is anticipated by those who have studied the question as likely to happen, is that there will be only a part of the banks at a time taking out this money, some sections not taking it out at all. Those who have studied the question from the inside say that the great banks of the great centers frequently have on hand bonds, so that they could take those bonds and get all they desire of the Aldrich-Vreeland currency—I will call it by that name—and all that they would be permitted to have. They carry these bonds. Many of the banks of great cities have Government bonds on hand against which they have not taken out any circulation; but nearly all of the banks in the interior having Government bonds have already taken out their circulation. The banks of the interior for the most part—and by "the interior" I mean all of the country outside of the great cities—do not carry in large sums that class of securities named in the Aldrich-Vreeland Act, but they have an abundance of good commercial paper. It is to enable those banks possessing good commercial paper, and not possessing these bonds, to secure this money,

that this little, short amendment has been devised. It is to carry the money as nearly as possible to the banks that need it.

Mr. SMOOT. Mr. President, I think the Senator has correctly stated the object of the amendment; but I wish to call his attention to the fact that nearly all of the \$250,000,000 of emergency currency that has been issued has been issued to the banks in the great centers. The banks to which the Senator has just referred—that is, those outside of the great centers—have under the present law the privilege of securing emergency currency up to 30 per cent on commercial paper, and they have not yet made application for that currency.

Mr. REED. Is not the Senator mistaken about that?

Mr. SMOOT. I do not think so, Mr. President. I know over \$200,000,000 of it went into New York City alone; I think some of it went to San Francisco, some of it to Chicago, and some of it to St. Louis. I know of none of it that has gone to the small banks in this country, with the exception—

Mr. SWANSON. Will the Senator permit me to interrupt him?

Mr. SMOOT. Wait just a minute and I will be through—with the exception of a few of the banks in the Southern States, I think, in Georgia, and, I think, in Richmond, Va., and a few other places.

Mr. SWANSON. Not only in Richmond, but also in South Boston; they got \$64,000 last week. They came in in the morning and had the paper fixed up, and left in the evening with \$64,000—the tobacco market in South Boston. That happened on Tuesday.

Mr. SMOOT. Of course, out of the \$250,000,000 that is a very small amount.

Mr. REED. Mr. President, I went down one morning and received the pleasant news that two and a half million dollars had gone that morning, or would go the next morning, to Kansas City.

Mr. SMOOT. Kansas City is one of the large centers of which I spoke.

Mr. REED. But I have the figures here that will tell that.

Mr. SMITH of Michigan. Mr. President, let me suggest to the Senator from Missouri, if he is willing, that the New York City bonds, which are short-time bonds and have been held largely in Europe, to the extent of \$150,000,000, have just been provided for by the banks of New York City. In providing for them those banks realized, I am sure, that the bonds they are taking up are to be made available immediately for emergency currency funds; and while it has been quite a task for the New York banks to raise this \$150,000,000, they have done so. I understand they did it after a conference with the Secretary of the Treasury. Those bonds certainly will be available for emergency currency, and probably the banks that are taking up these New York City bonds have already discounted their right to obtain this money.

Mr. REED. If the Senator will pardon me—

Mr. SMITH of Michigan. Just one word more. I said this morning that none of this emergency money has yet been asked for for my State. I do not think Michigan has had a dollar of it, but the time may come when she will need some of it.

Mr. REED. Yes; she has had \$19,824,000.

Mr. SMITH of Michigan. If that is so, it is within the last 10 days, because I was informed 10 days ago that they had asked for none thus far. I am very hopeful, Mr. President, that we can get out of this act, if it is to pass, some elasticity and helpfulness to the smaller communities of the country, and to that end I am going to offer an amendment.

*Provided*, That such State banking associations as shall formally indicate their intention to join the Federal reserve system prior to October 15, 1914, shall be permitted all the privileges extended to national banking associations under this act.

And upon the suggestion of a Senator upon the other side who has given the matter a great deal of thought, I will add the following:

And no further tax shall be charged on notes so issued than that provided for under this act.

If you wish to strengthen your reserve system, you ought to welcome these State banks into the system also and give them the privileges the national banks enjoy under the same regulations.

Mr. SHAFROTH. Does not the Senator realize that certain conditions of the bill make that impossible? For instance, the bank has no right to come in and participate in this fund unless it has taken out circulation to an amount not less than 40 per cent of its capital stock. If it has not taken out circulation to the amount of 40 per cent of its capital stock it can not come under this provision. State banks do not issue any money at all, and consequently it is inapplicable to them.



Mr. SMITH of Michigan. I think it can be made easily applicable.

Mr. NELSON. Mr. President—

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

Mr. REED. I can not, Mr. President, as two of my friends have the floor now, unless one of them yields.

Mr. SMITH of Michigan. I am through, except to say that a fight was made on the floor to get the State banks within the provisions of the Vreeland-Aldrich bill when first passed. There was a very general feeling in this Chamber among Senators that the law ought to extend to those institutions.

Mr. SMITH of Georgia. That was at the time the Vreeland-Aldrich Act was passed?

Mr. SMITH of Michigan. Yes; at the time it was passed, six years ago.

Mr. SHAFROTH. Does not the Senator realize—

Mr. NELSON. Mr. President, I ask leave to correct a misstatement or mistake of the Senator from Colorado. By the act of August 4, 1914—this year—we removed the 40 per cent restriction. It was the requirement of the Aldrich law that a bank to avail itself of the currency provision of that law must have at least 40 per cent outstanding in circulation based on bonds. We removed that restriction altogether, and then we amended the law further, so that they could issue currency under the act to the extent of 125 per cent upon capital and surplus. So the restriction the Senator from Colorado referred to does not exist any longer. We repealed it by that law.

Mr. SHAFROTH. But, as I understand it, you do not repeal the requirements as to a 20 per cent surplus which must exist. There are various requirements all through the Aldrich-Vreeland Act that prevents even a national bank from getting this money unless it is up to a certain standard. The State banks have none of those—

Mr. SMITH of Michigan. We will see about that. I think the State banks will come within the provisions of this law without much difficulty if Congress will give them an opportunity to do so. I hope they will do it.

Mr. REED. Mr. President, of course I will yield for any kind of a question that I am able to answer, but I really wanted to be able to put before the Senate in a few words somewhere within the first three or four hours of time the five or six minutes of remarks that I desired to make when I started out.

The Senator from Michigan states that there are bonds enough upon which to base the Aldrich-Vreeland currency and states that in the city of New York—

Mr. SMITH of Michigan. No.

Mr. REED. They have recently taken up some bonds.

Mr. SMITH of Michigan. Not enough to take up the entire amount authorized by the act—\$150,000,000.

Mr. REED. Exactly; and the banks of New York have it.

Mr. SMITH of Michigan. They will have it in a few days, and they have taken it over to the credit of New York City.

Mr. REED. That simply bears out what I was saying—that the banks of great cities have the bonds and can get the money with the bonds, but the banks of the country frequently are without the bonds. It only accentuates what I was saying.

Now, in regard to the use of this money at the present time: I have here the circular issued on the 20th. I suppose it is the latest one that has been issued by the Treasury Department. The statement here is that—

The amount of additional currency issued or directed to be issued under the provisions of the Aldrich-Vreeland Act, as amended by the Federal reserve act and the act of August 4, 1914, from August 3, 1914, to August 19, 1914—no currency had been issued under this act prior to August 3—was \$154,085,000, leaving \$1,227,866,000 still issuable in the discretion of the Secretary of the Treasury.

Of the amount already issued, \$9,428,000 was taken by national banks in Massachusetts, including the city of Boston, and \$97,964,000 in the Eastern States, including New York, New Jersey, Pennsylvania, Delaware, and the District of Columbia.

The amount issued to the 13 Southern States was \$8,768,000. The amount of additional currency still issuable to the national banks of the Southern States is \$169,883,000.

Mr. OVERMAN. That is the amount they were entitled to have issued, and they have issued only \$8,000,000.

Mr. REED. Yes; that is what I said:

The amount issuable, in the discretion of the Secretary of the Treasury, to each of these States is shown in the following table—

Which I will print, with the permission of the Senate, as a part of my remarks.

The matter referred to is as follows:

#### ADDITIONAL CURRENCY ISSUED TO DATE AND AMOUNTS STILL ISSUABLE.

The amount of additional currency issued or directed to be issued under the provisions of the Aldrich-Vreeland Act, as amended by the Federal reserve act, and the act of August 4, 1914, from August 3, 1914, to August 19, 1914 (no currency had been issued under this act

prior to August 3), was \$154,085,000, leaving \$1,227,866,000 still issuable in the discretion of the Secretary of the Treasury.

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The amount issued to the 13 Southern States was \$8,768,000. The amount of additional currency still issuable to the national banks of these Southern States is \$169,883,000. The amount issuable in the discretion of the Secretary of the Treasury to each of these States is shown in the following table:

Virginia	\$16,441,000
West Virginia	11,639,000
North Carolina	6,922,000
South Carolina	6,072,000
Florida	6,933,000
Georgia	15,952,000
Alabama	9,466,000
Mississippi	3,095,000
Louisiana	8,153,000
Texas	55,079,000
Arkansas	4,628,000
Kentucky	13,847,000
Tennessee	11,656,000

Total 169,883,000

The amount of additional currency thus far issued to the Middle Western States is \$34,445,000, including the city of Chicago. The maximum amount of additional currency still issuable, in the discretion of the Secretary of the Treasury by the national banks in these States is \$301,491,000, apportioned as follows:

Ohio	\$63,025,000
Indiana	23,955,000
Illinois	93,639,000
Michigan	19,824,000
Wisconsin	19,223,000
Minnesota	33,893,000
Iowa	20,197,000
Missouri	27,735,000

Total 301,491,000

Only \$180,000 additional currency has thus far been issued to the Western States composed of the Dakotas, Kansas, Nebraska, Wyoming, Montana, Colorado, New Mexico, and Oklahoma. These States could still obtain, with the approval of the Secretary of the Treasury, \$70,000,000 under the terms of the act.

Thus far \$3,300,000 has been issued to the Pacific States of Washington, Oregon, California, Idaho, Utah, Nevada, Alaska, and Arizona. The amount still issuable, in the discretion of the Secretary of the Treasury, to the national banks in these States is \$83,870,000.

Mr. REED. The question will at once arise, Why is it that these banks in the Southern States, now hard pressed for money, have taken out only \$8,768,000, whereas they might take out the additional sum of \$169,883,000. I think the reason, or at least one of the reasons, is probably found in the fact that these banks do not carry and have on hand the class of bonds required by the Aldrich-Vreeland Act.

Mr. OVERMAN. Remove the heavy tax on them of 3 per cent and they will furnish the bonds and get the currency. It never was intended to put all that tax on that money originally. There was a great discussion on the subject. The Senator was not here at the time, but the best thought in the Senate and some of the best financiers in the country said there should not be any tax at all for the first three months. Now we tax them 3 per cent and there is no reason for it.

Mr. REED. I think the reason, or one of the reasons, must be found in the fact that banks of the South, like the banks of my part of the country, for we lie only on the border line of the South, do not carry a large amount of the kind of bonds named in the Aldrich-Vreeland Act. If they did have them they could go and get this money, even if there were a 3 per cent charge for it. Why not? They would still be drawing the interest upon their bonds and they would draw the interest upon the money which they obtained from the Government, and the aggregate of the two would undoubtedly enable them to pay the charge.

Mr. OVERMAN. But they may not have the bonds. They have the commercial paper.

Mr. REED. What we are trying to give them the right to use by this bill is the commercial paper.

Mr. OVERMAN. I agree to that, but I want you to take off the tax.

Mr. REED. Well, one thing at a time, I think, is always the best.

Mr. JONES. Mr. President—

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

Mr. REED. Certainly.

Mr. JONES. I do not know enough about this question to know whether the Senator has given the information from the paper he has read that I want to get or not. As I understand the law now, these banks can get money issued on 30 per cent of their unimpaired capital and surplus. They can issue notes on commercial paper up to 30 per cent of their unimpaired surplus and capital.

Mr. REED. Yes.



Mr. JONES. Now, how much can be issued under that provision?

Mr. REED. It requires a calculation to go into the number of national banks that belong to these currency associations.

Mr. JONES. I supposed in view of the fact that they are asking that the 30 per cent shall be increased they would give that information to the committee. I want to follow that by the question: How much has been issued under that provision?

Mr. REED. I just gave those figures.

Mr. JONES. Will the Senator give just the total amount?

Mr. REED. The total amount that was issued up to the 20th of August was \$154,085,000.

Mr. JONES. Is that all the 30 per cent of the unimpaired capital and surplus?

Mr. REED. That is the total amount of currency which had been issued. Now, back of that currency thus issued there had to be at least 70 per cent of bonds, and there might be 30 per cent of notes.

Mr. JONES. Right there lies the point I want to get at. Under the law as it is now currency can be issued on commercial paper up to 30 per cent of the unimpaired capital and surplus.

Mr. REED. Yes.

Mr. JONES. I want to know how much of such currency has been issued on commercial paper. That is the information I am trying to get, because what we are trying to do by this bill is to increase the amount that can be issued on commercial paper.

Mr. REED. So that there will be no misunderstanding, the aggregate amount which is to be issued under this amendment will be just the same as it is now; that is, the aggregate amount any bank can obtain can not exceed 125 per cent of its capital and surplus.

Mr. JONES. It says that it can not exceed 75 per cent.

Mr. REED. If the Senator will pardon me, the Senator is a lawyer, and a lawyer knows he must let a man state his case.

Mr. JONES. Certainly.

Mr. REED. The aggregate amount which can be issued to any one bank is an amount equal to 125 per cent of its capital and surplus.

Mr. JONES. That is issued on what?

Mr. REED. It is issued on anything and everything. At the present time the securities which are to be back of that money can consist of certain bonds and of negotiable paper, but the negotiable paper shall not be greater than 30 per cent, and that, of course, would require 70 per cent to be of bonds. This bill proposes to allow a bank desiring money to make up 75 per cent of the collateral out of its commercial paper and to permit it to have only 30 per cent of bonds. In other words, it makes their commercial paper available to a greater extent but it does not otherwise change the law.

Mr. JONES. That is, as the amount they can issue of commercial paper increases the amount that they can issue on bonds decreases.

Mr. REED. Yes; the aggregate is the same.

Mr. JONES. I did not understand that. I am trying to get at the situation here.

Mr. REED. That is all there is to this little amendment. It permits the banks to issue commercial paper instead of bonds. It does not increase the amount they can have a penny. I do hope we can vote upon this matter. Of course, I know Senators may have amendments to offer, but it seems to me the bill ought not to provoke a very long discussion.

Mr. JONES. I am asking these questions for information. I should like to ask the Senator how much circulating money we have now—all told.

Mr. REED. I have not the figures available. I can get them for the Senator in a little while.

Mr. SMOOT. I have the amount here, if the Senator has it not there.

Mr. REED. The circulation statement for September 1 shows that there is an estimated per capita circulation of \$35.03; and the total of the general stock of money in the United States was, on September 1, \$3,819,916,263.

Mr. JONES. A little over \$3,800,000,000. I understand under the law now there could be emergency currency issued to the amount of about \$1,000,000,000. Is that correct? I understood from the statement made awhile ago that under the law as we have it now there could be an additional emergency currency issued of about \$1,000,000,000.

Mr. REED. There could have been on the statement of the 20th of September issued an additional amount, if all the banks availed themselves of this privilege, of \$1,287,866,000; that is to say, if all the banks should come forward and demand all the currency they are permitted to have; but, as I stated

awhile ago, it is thought by those who are better advised than myself that that will never be the case, that there will be great numbers of banks that will never ask for a penny, that there will be whole sections of the country that will not desire money at a particular time, whereas another section may at that time desire it, and then it may be retired there before it is demanded elsewhere.

Mr. JONES. I wonder if this \$1,200,000,000 under those conditions would not be sufficient to take care of any possible emergency.

Mr. REED. I think so; but the Senator must understand this bill does not propose to increase the aggregate amount. The aggregate amount that can be issued is limited by the 125 per cent of the capital and surplus of the banks belonging to the currency association. This does not change that. It does permit a bank that has commercial paper and does not have bonds to utilize more of its commercial paper instead of forcing it to go out and buy the bonds or do without the currency. In other words, if the Senator had a bank with a capital of \$100,000 he could obtain \$125,000 of this money provided he had the right kind of security. If his bank were literally filled with the best kind of commercial paper, he could only use that to the amount of 30 per cent. If he desired the whole of his \$125,000, he would have to go out in the market and buy bonds and deposit the bonds. Under this bill if you wanted \$125,000 of money 75 per cent of your collateral could be notes. I ask again, Why should people be alarmed at that? It is upon that very class of security that we propose to run our Federal reserve system, though of course there are qualifications, as stated, about gold reserves, and so forth.

Mr. JONES. I understood some Senator to state a while ago that if this bill were passed it would mean a further increase of emergency currency of \$600,000,000 or \$700,000,000.

Mr. REED. No.

Mr. JONES. That is not correct?

Mr. REED. It does not allow an increase in the aggregate, but it makes it easy for the banks that have good commercial paper but which do not have bonds to use those securities. I do not think there is any danger in it or any trouble about it. The Federal Reserve Board are working very hard, and it is their opinion that this bill ought to be passed for the relief of the banks.

Mr. President, I call for the question.

Mr. NORRIS. Mr. President, I wish, first, to ask the Senator from Missouri [Mr. REED] or the Senator from Colorado [Mr. SHAFROTH] a question or two to secure information about this bill. Under the original so-called Vreeland-Aldrich emergency currency act the amount of currency that could be issued was fixed at a lower amount than 125 per cent of the capital and surplus of a bank, was it not?

Mr. REED. Yes.

Mr. NORRIS. What was that amount?

Mr. REED. It was 100 per cent, was it not?

Mr. SHAFROTH. It was \$500,000,000; that was the gross amount; not to exceed that.

Mr. NORRIS. I understand that; but what was the amount that any bank could get?

Mr. NELSON. Mr. President, will the Senator from Nebraska allow me to make a suggestion?

Mr. NORRIS. Certainly.

Mr. NELSON. The amount could not exceed the capital and surplus of the bank.

Mr. NORRIS. That is what I understood.

Mr. NELSON. Under the Aldrich-Vreeland law the aggregate amount of currency that could be issued for the entire country was only \$500,000,000.

Mr. NORRIS. We have amended that.

Mr. NELSON. Yes; the restriction as to the \$500,000,000 has been removed, and the limitation as to the amount of currency which a bank may secure has been extended to 125 per cent of the capital and surplus.

I want to say further, for the information of the Senator from Nebraska [Mr. NORRIS], with the permission of the Senator from Missouri [Mr. REED], that while the Aldrich-Vreeland law provided for a tax on emergency currency of 5 per cent for the first three months and 1 per cent additional for each succeeding month, up to 10 per cent, by the act which we recently passed we have reduced the tax for the first three months to 3 per cent and for each additional month to one-half of 1 per cent, up to 6 per cent. That is the present condition of the law.

I wish also to say to the Senator from Nebraska that the difference between the currency proposed to be issued under this bill and the currency issued under the Federal reserve act is this: In the first place, the Federal reserve notes are the promises of the Federal Government, they are the obligations of the



United States, while the notes issued under the Aldrich-Vreeland law are like the national-bank notes, they are the obligations and notes of the national banks.

We further amended the Aldrich-Vreeland law by recent legislation so as to require a reserve in gold of 5 per cent; that is, the Secretary of the Treasury may require a gold reserve for currency issued of not less than 5 per cent; he may make it any amount above that.

The notes issued under the law as now modified are the obligations of the banks; and, aside from being the obligation of the issuing bank, if the bank is a member of a currency association through which the notes are issued, the currency association is liable. So we have, first, the promise of the bank; then we have the liability of the currency association; then the Secretary of the Treasury may require any amount of gold reserve he sees fit, but never less than 5 per cent.

It seems to me that this proposed currency will be safe enough. The only danger that we are likely to incur by this increase of currency is the possibility of an excessive inflation of our currency. If we go too far, by and by we may be in a position where gold will be at a premium, as we old men can well remember was the condition during the Civil War and the days immediately succeeding. That would be a great calamity.

I do not believe it is necessary to increase the limit beyond 75 per cent. However, I have faith in the Secretary of the Treasury—and I base that faith upon statements made by him before the conference committee on one of the recent measures concerning the increase of our currency—that he will exercise a restrictive force in two ways: First, he need not necessarily issue all the currency asked for; in the next place, he can exercise a restraining influence by calling for a greater gold reserve. That also will be a check. I do not apprehend that any serious results will follow except in the possibility that some banks in remote parts of the country may be disposed to issue excessive currency that will put them on an inflated basis and place them in a condition where they will be unable to redeem their currency.

Mr. REED. Mr. President, on that suggestion of the Senator—

Mr. NELSON. I am occupying the floor by the permission of the Senator from Missouri.

Mr. REED. I do not want to take the Senator off his feet, but I wish right at that point, with the Senator's permission, to make a statement. The Senator has made a suggestion as to the outside banks. I wish to call his attention to the fact that the Comptroller of the Currency on August 20 wrote a letter in which there is a clause bearing directly on what the Senator has said. It is as follows:

This office has received a number of applications from national banks in different sections of the country for permission to issue additional currency under the provisions of section 3 of the Aldrich-Vreeland Act, which makes it possible, under certain conditions, for national banks, with the approval of the Secretary of the Treasury, to obtain such currency by depositing securities of a particular class. The Secretary of the Treasury has generally disapproved these direct applications, preferring that all banks desiring additional currency should make their applications through a national currency association, as provided in section 1 of the act referred to, rather than independently.

The purpose of this letter is, first, to notify you that the Secretary of the Treasury prefers that banks should not make their applications direct, but that all applications should come through a national currency association—

And so forth. Then follow directions as to how they can get into the association. I simply read that extract from the letter, in order that the Senate may understand that the officials of the Treasury Department are proceeding with considerable care.

Mr. SIMMONS. Mr. President—

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

Mr. NORRIS. I yield.

Mr. SIMMONS. Allow me to ask the Senator from Missouri a question before I ask the question which I desire to ask of the Senator from Minnesota [Mr. NELSON]. In view of the letter which the Senator from Missouri has read, I wish to ask him this question: Is it not a fact that the Treasury Department can not under the law issue notes to any bank until the application for those notes has first been approved by the currency association to which the bank belongs?

Mr. REED. I hardly think that that restriction is in the law.

Mr. SIMMONS. I think the Senator will find that it is in the law, and I think that necessarily it must be there, because every bank in the association to which the applying bank belongs is responsible for the notes issued to that bank.

Mr. LEA of Tennessee. Mr. President, if the Senator will allow me, he is absolutely correct, for, as I understand, the proper officer of the currency association must make the ap-

plication on behalf of the bank desiring to secure the emergency currency.

Mr. SIMMONS. What I think the comptroller meant to say in that letter was that the application would have to come through the currency association, and if it were made to him he would first have to transmit it to the currency association; and his suggestion is that, in the first instance, application be made to the currency association.

Mr. SMITH of Georgia. Mr. President, if the Senator will pardon me a moment, I will read from the act:

The banks and the assets of all banks belonging to the association shall be jointly and severally liable to the United States for the redemption of such additional circulation.

Mr. SIMMONS. For that reason the act requires that the application shall be made to the currency association, so that the currency association, in view of the fact that it is to be responsible for all notes issued upon the security furnished, shall first pass upon and approve the security; and unless the currency association does approve the security, the Secretary of the Treasury has no authority, under the act, to issue the notes.

The Senator from Minnesota [Mr. NELSON] said—and I think he spoke with absolute correctness—that the fact that the currency association would be responsible for the currency issued to a member of the association would be a protection against circulation being issued upon inadequate security. Now, I wish to ask the Senator if, for the very same reason, the requirement as to approval by the banks constituting the currency association and the responsibility of all the banks in the association would not be likewise a safeguard against inflation?

Mr. NELSON. Yes; that is true; but I want to call the Senator's attention to the fact that the law contemplates that currency associations shall be formed and that national banks, through the machinery of such associations, shall obtain the additional currency; yet under section 3 of the Vreeland-Aldrich Act a national bank without being a member of a currency association can obtain currency. As a matter of fact, I take it that most of the banks that may apply for currency will probably get it through currency associations; but the Aldrich-Vreeland Act permits an individual national bank, without becoming a member of a currency association, to apply for and obtain currency.

Mr. SIMMONS. Will the Senator state the provision as to the character of security required when an individual bank applies for the currency?

Mr. NELSON. The same security is required when there is no currency association back of the bank as when there is.

Mr. BURTON. If the Senator will permit me, I do not understand that individual banks can obtain currency on the same security as can the currency associations. I think in the case of individual banks bonds are required.

Mr. NELSON. I should have stated that they can not obtain it on the same kind of security as can the banks in currency associations.

Mr. SIMMONS. That is the point I was making. My understanding is, if a single national bank applies for and is allowed to have currency under the section to which the Senator has referred, that it has to offer a different class of security from that required from a bank which is a member of a currency association.

Mr. NELSON. Their circulation must be based on bonds.

Mr. SIMMONS. That is what I supposed.

Mr. NELSON. That is correct; I overlooked that fact.

Mr. SIMMONS. They must be United States bonds, too, I think.

Mr. BURTON. No, Mr. President.

Mr. NELSON. They may be county or municipal bonds as well as United States bonds.

Mr. SIMMONS. Probably that is so; but a single national bank, not being a member of a currency association—

Mr. NELSON. Can not obtain currency on commercial paper.

Mr. SIMMONS. It can not secure circulation on commercial paper.

Mr. NELSON. That is true; but it can secure it on Federal and municipal bonds.

Mr. SIMMONS. That is true. The Senator, however, was discussing the danger of inflation because of the right or privilege to issue circulation upon commercial paper, and the point I was making was that in view of the fact that the currency association had to approve the application of the individual members of the association, and with each member bank becoming individually, so to speak, responsible for the notes issued, there was ample protection against these notes being issued upon commercial paper which did not constitute reasonably good and safe security, and that for those very same



reasons there was an equal protection against an inflation of the currency.

Mr. NELSON. The trouble with the Senator's position is that many of the banks are not equipped with the machinery to maintain a gold reserve.

Mr. SIMMONS. That is foreign to the proposition I am discussing. I do not think there is anybody in this country or any interest in this country that is quite so deeply concerned in preventing an inflation of the currency as the banks. They are the institutions which will be most seriously affected by an inflated currency, and therefore the interest of the banks to take every possible precaution and provide every possible safeguard against inflation is very great. As no circulation can be issued without their approval, and as they are responsible for the circulation when issued, it seems to me that they have it in their power, under this bill, to safeguard against an inflation of the currency.

Mr. NELSON. The trouble with the Senator is that he overlooks the lessons of history when he says that it is perfectly safe to lodge this power in the hands of the banks, and that they will properly take care of the situation in all cases. I can remember under the old State bank system when a great many bankers in remote parts of the country had no hesitancy in issuing an endless amount of paper currency which they were unable to redeem. The banks worship mammon as much as individuals do, and they are as apt to strain their resources and their credit.

Mr. SMITH of Georgia. Mr. President, that was the case where individual banks—

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

Mr. NORRIS. I yield to the Senator.

Mr. SMITH of Georgia. I was just about to call the attention of the Senator from Minnesota to the fact that those were all cases of individual banks and not of associations, where the mutual check of all the banks in the association applies to the particular bank which may wish to issue currency.

Mr. NELSON. Of course they did not have currency associations, but the desire of the banks to issue currency was as great as it is now.

Mr. NORRIS. Mr. President, I desire to return my thanks to the Senate for their good attention while I have held the floor. [Laughter.] Now, since the Senators have discussed the bill, I will get back to the purpose for which I took the floor and see if I can get all the information that I started out to get.

I wish to ask the Senator from Minnesota now whether the original Vreeland emergency-currency act was amended before we amended it by the Federal reserve act?

Mr. NELSON. I am not sure about that. I would not say absolutely that it was not, but I can not think of any material amendment.

Mr. NORRIS. Does the Senator remember the particular amendment that we made in the Federal reserve act to the emergency-currency act?

Mr. NELSON. The amendment we made in that act was to extend the law for another year. It would have expired in 1914.

Mr. NORRIS. We extended, either by that act or some other act, the right of a bank to get currency up to 125 per cent of its capital and surplus.

Mr. NELSON. Oh, no; not by that act. We did that by the act of August 4, 1914.

Mr. NORRIS. Oh, yes; that is right. That is the act that is mentioned in the bill now before the Senate.

Mr. SMOOT. I will say to the Senator that the first time the Aldrich-Vreeland bill was amended was at the time of the passage of the Federal reserve act.

Mr. NORRIS. What was the amendment?

Mr. SMOOT. Just extending the time until June 30, 1915.

Mr. NORRIS. That was continuing it in force.

Mr. SMOOT. Continuing it in force.

Mr. NORRIS. The original Vreeland emergency-currency act would have expired by its own terms before that time.

Mr. SMOOT. But since then there have been three amendments to that act, referred to by the Senator.

Mr. NORRIS. One of them was to increase the amount of currency that the banks could issue—

Mr. SMOOT. From \$500,000,000 to a billion dollars.

Mr. NORRIS. Yes; and another was to increase the amount that each individual bank could issue from 100 per cent to 125 per cent.

Mr. SMOOT. Yes; from the amount of their capital and surplus to 125 per cent of their capital and surplus.

Mr. NORRIS. And another one was to decrease the tax levied upon circulation—

Mr. SMOOT. From 1 per cent to one-half of 1 per cent.

Mr. NORRIS. So all of these amendments have been to liberalize the original emergency act?

Mr. SMOOT. Every one of them.

Mr. NORRIS. And they have liberalized it to a great extent. Now this bill is to liberalize it still further by permitting the utilization of the assets of the bank in the shape of commercial paper to the extent of 75 per cent, instead of 30 per cent, as provided for in the original bill.

Mr. President, I have been interested in this discussion, although I was not in the Senate the other day when the bill came up, and was not aware until this afternoon that it was up in the Senate or I would have searched further than I have been able to search in the few minutes that I have examined the debates that took place on the original bill; but I am very much interested to notice the change in sentiment in the Democratic Party that apparently has taken place since the original Vreeland-Aldrich emergency-currency act was passed.

I was in the House of Representatives when that bill passed, and I remember that I listened to the debate and read what I could get on the subject at that time, and approached the vote that I had to cast with a great deal of doubt and considerable fear. After I listened to the debate and studied it as best I could, I decided to vote for the bill, and did vote for the passage of the bill through the House of Representatives.

I remember that debate very vividly. It was participated in by some of the leading statesmen of that day, Members of the House of Representatives, some of whom are now Members of this body. I remember that it was a very partisan discussion. It was one of the most partisan debates that I ever witnessed in the House of Representatives.

After the bill was passed it was made an issue in the following campaign. I know that throughout the West the Republican Party was condemned from every hilltop and from every stump because it passed that emergency-currency measure. I know that in my own contest I was criticized more severely by my political opponents for voting for that bill than for any other official action I had ever taken while I had been a Member of the House.

One of the great Democratic dailies of the West and of my State was filled day after day with condemnation of every man who had voted for that bill. Members of the House of Representatives, Members of the Senate of the United States, in that campaign, one of whom I distinctly remember, campaigned in my State, and two-thirds of his speech was devoted to a condemnation of men like me who had voted for the Vreeland emergency-currency bill.

I confess, and did confess in the campaign, that I voted for it with some doubt, because I believed those Democrats in the House of Representatives. I thought they were in earnest. I had faith in their conscientious convictions and in what they stated to be the truth on the occasion, and I thought they were in earnest. To a great extent they had convinced me. I was in doubt as to whether the good in the bill overbalanced the bad; but after weighing it as best I could with my limited ability, I decided we had better pass it rather than not pass it, and so voted for it.

As I say, this change of sentiment is very interesting to me, after going through that experience, after being arraigned by the Democratic newspapers, particularly the leading daily newspaper of my State, owned then, as it is now, by a Member of this body, condemning men who had voted for it. We were also condemned in the Democratic campaign book and by the speeches and all the opposition papers in the State, criticizing particularly that part of the Vreeland-Aldrich currency bill that gave authority for the issue of money upon commercial paper. That was the principal argument made in that campaign against it. It was one of the arguments made on the floor of the House of Representatives against it. It was charged everywhere that it meant inflation; that it was an asset currency; that it was unsound.

I remember that in one of the campaigns my opponent, backed up with the debates of the House of Representatives, went on to tell the terrible calamity that must come to the country that issued money upon commercial paper—asset currency. It was the burden of the song all through the West in that campaign.

After I had heard it so often here, and heard it again throughout the West when I was home, I began to doubt again whether I was right. I believed these men were honest in what they were saying. I supposed they believed the doctrine they were promulgating. I did not claim to be an expert, but every Democratic politician who took part in the campaign that followed the passage of that act pretended to be a currency ex-



perft. and was able to tell the woe and the misery and the misfortune that must befall the country that had enacted such legislation.

Mr. SMITH of Georgia. Mr. President, will the Senator permit me to ask him a question?

Mr. NORRIS. I will.

Mr. SMITH of Georgia. Was the criticism that it was too severe a bill or too liberal a bill?

Mr. NORRIS. I do not know what the Senator means by "too severe a bill."

Mr. SMITH of Georgia. That it was so difficult to make use of it.

Mr. NORRIS. Oh, no; oh, no.

Mr. SMITH of Georgia. What was the criticism?

Mr. NORRIS. The criticism was that under it we were going to get a whole lot of worthless, good-for-nothing currency; that the money of the country was going to be debauched.

Mr. SMITH of Georgia. In spite of the enormous tax that that bill provided?

Mr. NORRIS. Yes; in spite of the enormous tax.

Mr. SHAFROTH. And yet, Mr. President, there was not a dollar issued under the existing law for years and years.

Mr. NORRIS. Not a dollar. I am coming to that. That came pretty near demonstrating that the critics were wrong; did it not?

Mr. SMITH of Georgia. It would seem that they directed the criticism in the wrong direction.

Mr. NORRIS. It would seem that way. I rather believed then, and I am convinced now, that the criticism was all wrong, because the very men who were doing the criticizing have come around to liberalizing the bill in order that more currency may be issued, in order that it may be easier to get this "worthless stuff" out on the country. So I concluded that they might have been moved somewhat on account of politics, and that perhaps they were not as earnest as I had given them credit for being.

Mr. SIMMONS. Mr. President—

Mr. NORRIS. I yield to the Senator from North Carolina.

Mr. SIMMONS. I was in the Senate when the Vreeland-Aldrich bill was passed, and I took some little part in its discussion. I think the criticism was begun here in the Senate, and the criticism was not that the bill would lead to inflation—I do not think anybody thought that—but, on the other hand, on account of the excessive tax or interest charge, for that is what the tax is, the banks would not use that currency except in the most extreme condition of emergency, and then they would use only so much as was absolutely necessary. I remember that that was my line of attack upon the bill, and I think that was the reason why no money was really issued under it.

Mr. NORRIS. Does the Senator remember, if that was the ground of his opposition to the bill, offering any amendment to cut down the rate of interest?

Mr. SIMMONS. I do not recall now. I do not think I offered any amendment.

Mr. NORRIS. I do not think any such amendment will be disclosed by the CONGRESSIONAL RECORD.

Mr. SIMMONS. I do not say that any such amendment was offered; but that was the line of criticism in this body. It was understood perfectly well then that the author of the bill was all powerful in this body, and that unless he accepted the amendment there was practically no use in offering it.

Mr. NORRIS. As long as that all-powerful Senator had the support of the still powerful Senator from North Carolina for his bill there was no occasion for him to submit to an amendment.

Mr. SIMMONS. He did not have the support of the Senator from North Carolina. The Senator from Nebraska is mistaken in that statement.

Mr. NORRIS. I supposed the Senator supported the bill. He has supported it ever since the Democratic Party has been in power.

Mr. SIMMONS. No; I did not support the bill. I criticized the bill. That is what I said, and my criticism was directed to the very point the Senator now makes—that on account of the high rate of interest, the tax beginning at 5 per cent during the first three months and then increasing gradually until it reached, as I remember now, 10 per cent, it was so high—not that there would be inflation, but that the banks would not use the money; that they could not afford to use the money.

I recall instancing the conditions in my State—where we had then, as we have now, a usury law that prohibits taking more than 6 per cent for the use of money and penalizing anyone who receives more than that amount for the use of money—as showing that it could not be used by the banks in my State, be-

cause banks would not be likely to take out money that they would have to loan for less than they had to pay for it.

The argument was made that this currency would not be used; not that there would be inflation, but that it would not be used except in extreme conditions where the banks were in such a position that they were compelled to pay exorbitant rates in order to secure money to relieve an emergency situation.

Mr. SMOOT. Mr. President—

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

Mr. NORRIS. I yield to the Senator from Utah.

Mr. SMOOT. I was a Member of the Senate when the Vreeland-Aldrich bill was passed; and the Senator certainly has surprised me by saying that the opposition to the Vreeland-Aldrich bill on the other side was on account of its severity and the amount of interest charged upon the issue of the currency.

There is not a Member of this body who does not remember and know that that bill was made a party issue. The Senator from Nebraska has well said that he was criticized for his vote, and I have been criticized within the last six months for voting with Senator Aldrich in passing the Vreeland-Aldrich bill.

Mr. President, there is not any question but that the Democratic Party denounced the bill and voted against it. I know that the Senator from Oklahoma [Mr. OWEN] made the statement upon this floor that notwithstanding the bad provisions of the bill he still thought he would vote for it. I have not looked up the RECORD to see whether the Senator voted for the bill or not, but I remember his making that statement upon the floor, and I know that he was taken to task for it, too. I know that the vote that was cast for the bill and the amendments that were offered was a party vote.

Mr. SIMMONS. Mr. President—

The VICE PRESIDENT. Does the Senator from Nebraska further yield to the Senator from North Carolina?

Mr. NORRIS. I yield to the Senator from North Carolina.

Mr. SIMMONS. I have not said that it was a party vote or that it was not a party vote. I said nothing about the subject of a partisan division. I think, as a matter of fact, this side of the Chamber was generally opposed to the bill, and that side of the Chamber was generally in favor of it. I said, however, and I repeat, that the line of attack and criticism upon that measure was upon the ground that the excessive rate that was charged would make it an unusable money. I remember—and it is a matter of record, of course—that I submitted letters from bankers of my State saying that it would be impossible for them to use this money at that rate of interest.

Mr. REED. Mr. President—

Mr. NORRIS. Before I yield to the Senator from Missouri, let me say just a word.

Mr. REED. I was simply going to suggest that we might pass this bill and then settle our party record hereafter. Really, things have changed so often, and people have changed their minds so often, and men are changing their parties so rapidly, that if we undertake to follow them in all of their ramifications I fear we will get lost here, and this bill will be forgotten. I beg that we may get down and settle this question this evening and let us settle our party differences afterwards. Let us have a field day on politics. I should like to make a Democratic speech myself, just to see how it would feel.

Mr. SMOOT. I wish to say to the Senator from Missouri that we were charged on this side, when the Vreeland-Aldrich bill was under consideration, with working for the benefit of the banks. It was said that we were going to give them all the advantage in the world, and that the reason we were going to give it to the banks was because Senator Aldrich was representing the banks and wanted it, and for the further reason that we had had a panic in 1907, and this legislation was so that the banks could thereafter control the currency of the United States.

Mr. REED. If the position of the Senator's party has been vindicated by the philosophy of business, and if the Democratic Party now stands on the ground occupied by the Senator, I think he ought to be sufficiently content and not rub any salt in the wound.

Mr. SMOOT. I certainly am content; but I want them to acknowledge it; that is all.

Mr. REED. The Senator wants us to know it.

Mr. JONES. Mr. President—

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

Mr. NORRIS. I do.

Mr. JONES. I wish to say that I was a Member of the House at the time mentioned by the Senator from Nebraska, and my recollections and my experience are almost the same as his. I



voted for the Aldrich bill with very much doubt and very largely upon the indorsement of some Members of the House in whom I had a great deal of confidence and who knew a great deal about this question. Some of them are now Members of the Senate.

I want to call the attention of the Senate to a declaration in the Democratic platform of 1908 which, to my mind, bears out the suggestion of the Senator from Nebraska, although it does not put it in just the language he puts it. Under the head of "Banking" it says in its condemnation of the Republican Party:

It has used an emergency for which it is largely responsible to force through Congress a bill changing the basis of bank currency and inviting market manipulation.

The change in the bank currency was this commercial paper as a basis for the issuance of the currency.

Mr. NORRIS. Mr. President, I remember that after the bill had passed the House and came over to the Senate I came here and listened to some of the debates. I never heard on the floor of the Senate in the debates I listened to one single Senator on the Democratic side making any objection to the bill on the ground that it was too severe and that the tax was too high. If there is anything in the RECORD that any Senator can produce to that effect, I would be glad to yield and have the statement of the Senator vindicated.

Mr. SIMMONS. I will say to the Senator that the speech I made is in the RECORD.

Mr. NORRIS. That may be.

Mr. SIMMONS. While I can not put my hands upon it, I will say that I not only made the statement, but I read letters from banks in the State, and I remember I put in the RECORD a letter from G. Brown, a leading banker in the city of Raleigh, N. C., in which he contended that at that rate of interest it would be impossible for the bankers of my State to use the money. I attacked it upon that ground, and, so far as I now recall, principally upon that ground.

Mr. NORRIS. I did not hear the Senator from North Carolina, and I have no doubt whatever that he attacked it on the ground suggested, but I say of all the debates I heard there was no such attack made, but it was attacked here and all over the country because it brought on a new currency that was to be issued on promissory notes and railroad bonds rather than upon Government bonds. The charge was made everywhere as you made it in your platform at the national convention of 1908, condemning it not on the ground that it was not liberal enough, but that it was a bank bill passed for the purpose of giving the banks an opportunity to issue a worthless currency.

Mr. President, since this debate has been going on I have gotten the CONGRESSIONAL RECORD giving the debates in the House of Representatives, and since the question has arisen as to the ground of the opposition I want to read from the CONGRESSIONAL RECORD some of the Democratic objections. There are pages of it along the same line. For instance, a Democratic Member of the House of Representatives, who was then the leader of the Democratic Party in that body, made a speech, and in it he said, on page 246 of the CONGRESSIONAL RECORD of May 14, 1908:

The Banking and Currency Committee considered a bill, and they reported the bill and recommended it to this House—

That is, the Vreeland-Aldrich currency bill—

I am opposed to it. I believe everybody, or nearly everybody, on this side is opposed to it, but there is a chance, at any rate theoretically if not practically, that it would receive serious consideration.

It seems that some one in the debate on the other side had charged him with being opposed to it simply because it was proposed by a Republican, and this same Member of the House meets that charge. He is now, by the way, an honored Member of this body, and he said—I read from the CONGRESSIONAL RECORD:

The gentleman from New York [Mr. Vreeland] says we will oppose his bill "because it is a Republican bill." Why, bless your hearts, we are not in the habit of opposing things because they have a Republican origin, and you know it.

Then it says in brackets there was "derisive laughter on the Republican side." He continues:

There is not one of you laughing that does not know it, and you know that your laugh is not sincere, but hypocritical. Upon this side for the last three years there has not been a good measure recommended by a Republican President or a Republican committee—good in our opinion, I mean, of course—that we have not advocated, and that we have not helped through.

Later on he says:

Who stands for this Vreeland bill? Nobody but the Republican machine in this House. \* \* \* Nobody is demanding it. You, even, that Republican machine over there, are not demanding it because you want it. You are demanding it merely to be able to go before the people and say, "We passed something in the shape of an emergency-currency bill." You are passing it simply to get something

into conference, and in a secret conference committee to hatch plutocratic mischief. There is not one of you that does not know that it is an abomination and a miserable makeshift. It ought to be called a bill of "authorization for clearance-house associations of national banks which have violated the law," or a "bill of indemnity for Secretaries of the Treasury who have suspended the operation of the law in behalf of the national banks and clearance-house associations."

Further on he says:

There is not one of you who does not know that at heart you are not in favor of this Vreeland bill as a remedy for existing ills. There is not one of you who will pretend that you regard it as such. You are apologizing for it every day upon the ground that it is simply an expedient—an emergency expedient—and all that.

Mr. SMOOT. Will the Senator yield to me?

Mr. NORRIS. I will yield in just a few minutes. It seems that some one had said that the other side had the responsibility, and in reply he said:

Now, take your responsibility, and in one year from now, if this bill passes, you will be visited with the penalty attached to the responsibility which you have taken. [Applause on the Democratic side.]

There arose the following question in that debate, asked by the same leader of the gentleman from Ohio [Mr. BURTON], who is now also a Member of this body:

The gentleman from Ohio spoke of safeguarding the debt of the bank in the shape of notes. Now, does the gentleman tell the House that this bill does not sacrifice the security of the depositor in order to secure the note holder?

Let me ask this, and then you can answer both afterwards: Is it not true that your bill gives a first lien for the payment of the note, and does not that necessarily decrease the security of the depositor to that extent?

I wish to read a few extracts from one other speech that was made in the House of Representatives by a Member of that body who is now a Member of the Senate. He said:

Mr. Speaker, our friend the gentleman from Indiana [Mr. Overstreet] tells us that this is a bill brought forward here for the purpose of quieting the financial storm. If I read its provisions right, instead of quieting the storm, it will be a fomenting of a storm. [Applause on the Democratic side.] The truth of it is, Mr. Speaker, of all the legislation that has been brought before Congress in the history of the Government there never has been a bill brought here that has lodged in the hands of one man so much power affecting the property and interests of the American people. You tell us that it quiets the storm. Under the provisions of this bill the storm may be beating quick and fast in every part of the Union and the Secretary of the Treasury may say all is calm with him and refuse to allow you to issue one dollar of circulation to be used in the avenues of trade and commerce in this country.

First, he may say that the locality does or does not need additional circulation; second, he can say that some securities are good and some are bad; third, he can say that he will issue the maximum amount of currency upon one class of security and the minimum amount upon another class of security. For instance, he may say that in New York, around Wall Street, there is an emergency, local in its character, and he may give them all the money they need; while down in my part of the country, in Kentucky, he may say to the banks there, "Your locality does not need any money, and therefore I will withhold it from you and deny you the right to issue it." [Applause on the Democratic side.]

Not only that, Mr. Speaker, but he may say to the banks in one part of the country where security is offered, "I will allow you 75 per cent. according to the value of the commercial paper you offer," and to the people in another part of the country, "I will allow you only 25 per cent. according to the value of the commercial paper you offer." Why is this extraordinary power lodged in the hands of the Secretary of the Treasury? Why, we all recall that during the late financial stringency the Secretary of the Treasury went to the rescue of the banks in New York frequently with millions of dollars, while in the South and the West banks were unable to obtain a dollar.

The very viciousness of this system is shown by the basis of this circulation, making it discretionary with the Secretary to place a value upon securities, and thereby to say what character of commercial paper, bonds, or other securities will be accepted for the issuance of this money. [Applause.]

Back yonder in 1803 there was a great contest waged upon this issue. Many thousands of people believed, and honestly so, that the Government should issue money to the farming class of our people, under the subtreasury scheme, upon the deposit of their crops. They only asked 50 per cent advance, at a reasonable rate of interest, upon the value of their crops; but here, under the provisions of this bill, you issue to the banks 75 per cent of the value of their commercial paper, railroad stocks that are up to-morrow and down next day, mining stocks that fluctuate and fall 50 per cent overnight, commercial paper of every kind—assets which neither feed nor clothe the world. You step in, and to men who speculate in these things you say, "The Government would favor you with a loan of money"; but to the farmer who digs out of the earth those things without which the world would freeze and starve, you say, "You shall not be allowed to borrow money from the Government."

And so on with that kind of an argument, with which I might proceed almost indefinitely. By the way, the Senator from Utah wanted to interrupt me a while ago, and I yield to him.

Mr. SMOOT. If the Senator does not object, I wish simply to refer to a speech delivered March 26, 1903, by the Senator from North Carolina [Mr. SIMMONS] to show that his position as he stated it was in the main correct, but that his charge upon the other side was that it was a bill for the bankers.

Mr. NORRIS. I have no objection, of course, to the Senator reading it, but I am accepting what the Senator from North



Carolina says as to his position. I have no doubt of its correctness, and I am not questioning it in any way.

Mr. SMOOT. No; but the Senator from North Carolina led the Senate to believe that there was no charge upon the Democratic side that this was a bankers' bill.

Mr. SIMMONS. No, Mr. President; I said nothing of that sort.

Mr. SMOOT. Then probably I had better read just what the Senator did say.

Mr. SIMMONS. I made several speeches.

Mr. SMOOT. From the speech the Senator made March 26, 1908, I read the following:

The Senator from Rhode Island [Mr. Aldrich], who is chairman of the Committee on Finance, has said several times during the course of this debate that this bill was not intended for the benefit of the banks. He has charged that the bankers were against it. I agree with the Senator that we are not here to make a bill for the bankers; we are here to make a bill for the people; but I wish to remind the Senator that not one dollar of the money provided in his bill can get into the hands of the people except through the banks—they alone are authorized to issue money under its provisions. If they do not issue this emergency currency, the people will never get it. I believe the bankers of this country are as patriotic as any class of our fellow-citizens. Some of them may be grasping and greedy, but the great bulk of them are honest, patriotic, and fair-minded citizens. But they are business men, and they are in the banking business for the purpose of making money, and I am not so innocent as to suppose that they are going to issue this money for the benefit of the people at a loss to themselves, and I repeat if they do not issue it for any reason whatever, the people can never get it.

In other words, Mr. President, the thought was carried by that side of the Chamber that Mr. Aldrich was working for the interests of the bankers of this country; that the measure was not a measure for the people, but it was a measure for the banks. Of course, now, Mr. President, under Democratic rule the whole thing is changed. The bill is not a measure for the banks, but it is a measure for the people; and the standard is to be liberalized in every particular.

Mr. SMITH of Michigan. As long as he was in public life they did not issue a dollar of that currency.

Mr. NORRIS. My own idea was at the time—and it is still my idea—that an emergency currency, if we have a law for an emergency currency at all, ought to provide for a currency that it is difficult to get. It ought to be so difficult that in normal times nobody will make application for it. I always believed that this emergency currency as it was passed was sufficiently difficult to get to make it unprofitable to get it except in the case of an emergency, and that when a bank or a banking association got the currency they would recall it just as soon as they possibly could. I believe that would have been the operation if it had been put into active practice; but after the law was enacted no one ever got a dollar of the currency until recently.

Mr. SMITH of Michigan. Until a Democratic administration.

Mr. NORRIS. Yes. I always said it seemed to me that the law was like a policeman standing on the corner. As long as he was there the store would not be robbed, but if you removed him you might be sure of a robbery. I looked upon the emergency currency in that light. It was beneficial because its tendency would be to prevent the panic that it was intended to meet by the issue of this currency. Now, we have liberalized that since.

The Democratic Party are greatly responsible for that—and I am not saying that they were wrong when they liberalized it—but they condemned it when it was enacted by somebody else, and said that it was an abomination and was unfair, and condemned everybody who voted for it; and when they came into power they passed a law to extend it and then passed several bills to make it more liberal and more easy for the banks to get the money under it and more profitably. When Republicans passed this law you Democrats condemned it and said it was one of the greatest evils of the day, and when you came into power you solemnly passed a law continuing it in force. You condemned it because you said it gave the Secretary of the Treasury too much power, and then you amended it, giving him more power. You charged that it was passed in the interest of the banks, because they could get the currency at 1 per cent; and when you had the power you lowered the rate to one-half of 1 per cent. You complained because banks could issue currency up to 100 per cent of their capital and surplus, and at the first opportunity you changed the law so they could issue currency up to 125 per cent of their capital and surplus. You condemned Republicans for permitting in this law the issuing of what you called debased currency up to the amount of \$500,000,000, and when you came into power you took off the limit. Verily, that which was rejected and condemned by Democratic statesmen when they were out of power has become the chief corner stone of the Democratic financial temple when they are in power.

Mr. SMITH of Michigan. Mr. President—

Mr. NORRIS. I yield to the Senator from Michigan.

Mr. SMITH of Michigan. If the Senator from Nebraska will permit me a moment. When Mr. McAdoo came to the Treasury and found this vast amount of \$500,000,000 unused currency at his disposal he said to the country, "If no one else advances the money to move the crops, I shall advance it to the extent of \$500,000,000." Our friends on the other side found it a very convenient medium to bridge their difficulties; and in justice to those who were responsible for its passage in 1908, it should be said it has served a very useful purpose, and the wisdom of its enactment I guess no longer is challenged on the floor of the Senate; at least I have heard no Senator suggest that we ought to repeal it.

Mr. SIMMONS. Mr. President—

Mr. NORRIS. I yield to the Senator from North Carolina.

Mr. SIMMONS. What the Senator from Utah has read from my speech of March 26 confirms my statement; but I stated in another part of the speech the ground of my opposition a little more specifically than in the part read by the Senator from Utah.

In connection with the same colloquy I had with Senator Aldrich I said:

The bankers of my State, as I know from actual correspondence and personal communication with them, are almost a unit against this bill. I have had letters from 15 or 20 of them, and I say to the Senator they do not put their objection upon the ground that they want an asset currency, but upon the ground that on account of the high rate of tax prescribed it would be of but little, if any, benefit to them and the communities they represent.

Mr. NORRIS. I think that bears the Senator out in his statement. I do not want the Senator to get the idea that I was questioning for a moment his statement as to the position which he assumed at the time; I accepted that of course; but the great objection that was made to this law all over the country, both in Congress and in the political campaign that followed, was, as I have before stated, that it provided for a kind of currency that was unfair; that it would be profitable only to the banks; that it would allow the banks to issue money on security that was not good, as was stated in some of the speeches that I read, on bonds that were likely to go up and down, on commercial paper that had no known value, and all the power to be put in the hands of one man to decide whether or not he would issue the circulating notes and in what quantities and to what localities.

However, Mr. President, I have not taken the floor to call attention to these things because of any partisan consideration; in fact, that has not been the object at all, although to me it was a serious matter, and the experience that I had in the campaign that followed, in the fight that was made on the ground that I had supported that bill, has left in my mind a recollection that is vivid, and naturally would cause me somewhat to wonder when I found that the same men who had made that kind of a campaign and that kind of a fight, later, when they came into power, proposed to extend and to make more liberal the same law which they had condemned; to do the very thing that they had condemned in their opponents. It illustrates the evils of partisanship and that in political campaigns men are apt to think more of partisan advantage than of the welfare of the country, and sometimes take positions knowing at the time they do it that the position which they assume is not fair or right or equitable. It is not true of all men; of course there are some men in all parties who condemn that kind of political warfare; but here is an actual illustration of it, showing the difference between the man who is out and finding fault and the man who is in and charged with responsibility. It seems to me that to be fair we ought not to make campaigns and arguments, either in Congress or out, that we ourselves do not believe to be right.

Mr. BURTON. Mr. President, I can not conceal my fear of serious inflation which may follow from the passage of this bill. Of course, everyone knows that as paper currency comes into greater use the tendency is for gold to go out of circulation, and that at such times as this, when there is a crying demand from every European nation for all the supply of gold they can obtain, that danger is peculiarly acute.

I was a member of the Banking and Currency Committee of the other House when the so-called Aldrich-Vreeland bill was framed. With one or two others, I took an exceptional part in framing the bill as it passed the other House. What I wish to emphasize to Senators is that it was strictly and exclusively an emergency measure. The panic of 1907 was fresh in our minds; there were reports of scarcity of currency in certain financial centers; and the report had also come to us that there was a prospect of bumper crops of wheat, at least, in the West. We desired to frame a law which we hoped would



not have to be utilized, but which would prevent a recurrence of the conditions of 1907 and would substitute an asset currency or a currency secured by bonds for the makeshifts resorted to in 1907.

The fact, Mr. President, that this was an emergency measure pure and simple appears in every section and almost in every line of the law. Let me call attention to some of its provisions. In the first place, it provides that there must be a national banking association made up of banks "having an unimpaired capital and a surplus of not less than 20 per cent, not less than 10 in number, having an aggregate capital and surplus of at least \$5,000,000." Associations of that quality were required to begin with.

One feature which evoked considerable criticism was that there was no opportunity provided for any bank which joined one of these associations to withdraw, so that if a bank became a member its position was irrevocable—it must remain with the association for better or for worse. On consideration, it was not thought best to afford such an opportunity.

The next provision showing the emergency character of the measure is that the bank must have outstanding currency secured by Government bonds "to an amount not less than 40 per cent of its capital stock."

The fact has been referred to briefly by the Senator from North Carolina [Mr. SIMMONS] that the bank asking for circulating notes must also furnish security satisfactory to the board of the association.

Again, it is provided:

The officers of the association may thereupon, in behalf of such bank, make application to the Comptroller of the Currency for an issue of additional circulating notes to an amount not exceeding 75 per cent of the cash value of the securities or commercial paper so deposited. The Comptroller of the Currency shall immediately transmit such application to the Secretary of the Treasury with such recommendation as he thinks proper, and if, in the judgment of the Secretary of the Treasury, business conditions in the locality demand additional circulation, and if he be satisfied with the character and value of the securities proposed and that a lien in favor of the United States on the securities so deposited and on the assets of the banks composing the association will be amply sufficient for the protection of the United States, he may direct an issue of additional circulating notes to the association, on behalf of such bank, to an amount in his discretion, not, however, exceeding 75 per cent of the cash value of the securities so deposited.

The limit for circulating notes issued on bonds was 90 per cent, but on commercial paper and other securities 75 per cent. There was the further restriction:

That no national banking association shall be authorized in any event to issue circulating notes based on commercial paper in excess of 30 per cent of its unimpaired capital and surplus.

That, with the restriction requiring banks to issue 40 per cent of their capital in circulating notes based on Government bonds, has been removed by the recent action of the Senate. There is a severe requirement as to commercial paper:

The term "commercial paper" shall be held to include only notes representing actual commercial transactions which, when accepted by the association, shall bear the names of at least two responsible parties and have not exceeding four months to run.

The next provision is:

The banks and the assets of all banks belonging to the association shall be jointly and severally liable to the United States for the redemption of such additional circulation.

Still further:

The association may, at any time, require of any of its constituent banks a deposit of additional securities or commercial paper, or an exchange of the securities already on deposit, to secure such additional circulation.

That is, if the currency association, or the banks composing it, had been allowed to issue circulating notes to the amount of 75 per cent of the commercial paper deposited, and that commercial paper was not satisfactory, they might be required to deposit a further amount.

Section 3 provides for the issuance upon request of individual banks of circulating notes to be secured by bonds not exceeding 20 per cent of the market value of such bonds, but let us notice how carefully that is safeguarded:

The Treasurer of the United States, with the approval of the Secretary of the Treasury, shall accept, as security for the additional circulating notes provided for in this section, bonds or other interest-bearing obligations of any State of the United States, or any legally authorized bonds issued by any city, town, county, or other legally constituted municipality or district in the United States which has been in existence for a period of 10 years, and which for a period of 10 years previous to such deposit has not defaulted in the payment of any part of either principal or interest of any funded debt authorized to be contracted by it, and whose net funded indebtedness does not exceed 10 per cent of the valuation of its taxable property, to be ascertained by the last preceding valuation of property for the assessment of taxes.

That is, a bank could not bring municipal, county, or township bonds and offer them as security for notes unless it were made to appear that the political division issuing the bonds had not defaulted in any of its bonded indebtedness for 10 years and, further, that the total amount of its indebtedness

was not more than 10 per cent of the last preceding valuation of property for the assessment of taxes. There was a perfect panoply of provisions to prevent the hasty or injudicious issuance of currency on the request of the banks.

I do not recall that at any time in the House the objection was made that the rate of interest or premium was too high; and I may say, Mr. President, that in the committee and in the conference, which was participated in by Senator Aldrich, Senator Allison, Senator Hale, Senator Daniel, Mr. Vreeland, the Senator from Massachusetts [Mr. WEEKS], then a Member of the House, and myself, I alone suggested that the rate of interest or tax upon the notes was too high.

It was not intended to authorize the banks to issue currency according to their own sweet will. It was intended that its provisions should be so severe that only in cases of emergency and in a very exceptional situation would there be any issues of this quality of circulating medium. I do not, in view of this discussion, claim credit for advocating a lower rate of interest or tax upon the notes. I am inclined to the opinion that the others were right, and perhaps I was wrong in insisting that the 5 per cent for the first three months and an additional 1 per cent for each succeeding month until the rate was 10 per cent was too high. That, at least, is true when you consider the purpose and object of the act.

Mr. LEA of Tennessee. Mr. President, may I ask the Senator from Ohio what rate of taxation he proposed in that conference?

Mr. BURTON. I merely advocated a lower rate without specifying any specific figure. The rate provided was 5 per cent for the first month and an additional 1 per cent for each succeeding month until it reached 10 per cent. That was one of the provisions that, so far as our discussion in the conference was concerned, evoked less difference of opinion than almost any other.

Mr. LEA of Tennessee. In view of the present emergency, does the Senator think that 3 per cent for the first three months is too low?

Mr. BURTON. I should be inclined to think that 3 per cent for the first three months and an additional half per cent is sufficient, in view of the fact that this is only a temporary arrangement, and that it is expected that it will be soon superseded by the provisions for the issuance of currency under the Federal reserve act. I should not, however, make it any less than that.

Mr. WEST. Mr. President, I know little about the legislation to which the Senator refers; but, as I understand, the high rate of interest was imposed with a view of forcing the retirement of the currency as early as possible, was it not?

Mr. BURTON. It was imposed for the purpose of forcing its retirement just as soon as possible and, more than that, preventing the issuance of any of this kind of currency unless there was an urgent need for it. No doubt the provisions of the bill were exceedingly stringent, but they were intentionally so; it was not intended that the bill should afford an opportunity for the permanent circulation of this class of paper money at all.

Mr. WEST. Except in cases of extreme emergency.

Mr. BURTON. Only in such a case as that.

Mr. President, the opposition was very fierce in the discussion of the bill, but I am gratified to know that time has vindicated our action. "The stone which the builders refused is become the headstone of the corner." Apparently that is the case now, for the Vreeland-Aldrich law is the refuge on the present occasion.

Mr. President, it seems to me that the increase from 30 per cent to 75 per cent as the limit for which currency may be issued on commercial paper is going to the very extreme, and that we ought not to go any further; indeed, if the operation of the law were not to be temporary I should feel like vigorously opposing the increase to 75 per cent. I concede that just at the present time there is a special occasion to provide for the transition period from the present organization of the national banks and the existing methods for the deposit of their reserves to the new conditions to be created when the Federal reserve banks are organized; but I do not think that for that reason we ought to go too far. Nor do I think we ought to lower the rate of interest or premium below 3 per cent.

I thought, Mr. President, it was desirable to bring to the attention of the Senate a little more clearly than has appeared in this discussion what was the object and intent of the Aldrich-Vreeland Act when it was framed and the functions it was intended to perform. That much-abused measure has been vindicated, although until recently not a dollar was ever issued under it during the years since it has been on the statute books. It has stood as a safeguard against such panic conditions as



occurred in 1907, and might have recurred in some succeeding year. What the business public often need is confidence; and the assurance that a method could be resorted to for obtaining an extra volume of currency of \$500,000,000 may have tided us over serious emergencies.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Colorado [Mr. SHAFROTH].

The amendment was rejected.

The VICE PRESIDENT. The bill is in Committee of the Whole and open to further amendment.

Mr. SMITH of Georgia. Mr. President, an amendment was presented by the Senator from North Carolina [Mr. OVERMAN].

The VICE PRESIDENT. It has not been offered as yet.

Mr. OVERMAN. The amendment has been offered, has been printed, and has been read.

Mr. WEST. I should like to hear the amendment read.

Mr. OVERMAN. The amendment has been read. It simply changes one word in the amendment that was adopted here, I think, on the 4th of August. It strikes out the word "three" and inserts in lieu thereof the word "one." That is, it changes the tax on this currency from 3 per cent to 1 per cent for the first three months.

Under the law as it is, the tax is 3 per cent for the first 3 months, and a half per cent every month thereafter until it reaches 6 per cent, which would be in 9 months. This extends it, and makes the same rate of increase as the present law, of 1 per cent for the first 3 months and a half per cent for each succeeding month, until the expiration of 13 months. It only extends the time 4 months. It was 9 months under the original bill, and it is 4 months more under my amendment. It reaches 6 per cent at the end of 13 months. It reduces the tax from 3 per cent to 1 per cent, and extends it from 9 months to 13 months. That is the only change.

Mr. BURTON. Will the Senator from North Carolina yield for a question?

Mr. OVERMAN. Certainly.

Mr. BURTON. Do I understand that the Senator's amendment not only lowers the rate of premium or interest, but also extends the time for the operation of the act?

Mr. OVERMAN. Not the time for the operation of the act. It changes the tax rate from 3 per cent to 1 per cent and leaves it as it is, half a per cent increase each month. Necessarily that would carry it to 13 months. It is 9 months now, beginning with 3 per cent and increasing half a per cent a month, which makes it 6 per cent at the end of 9 months. Under my amendment it is 1 per cent for the first 3 months, with a half per cent for each additional month, which makes it 6 per cent at the end of 13 months.

Mr. VARDAMAN. Mr. President—

The VICE PRESIDENT. Does the Senator from North Carolina yield to the Senator from Mississippi?

Mr. OVERMAN. I yield to the Senator.

Mr. VARDAMAN. I wish to ask the Senator from North Carolina if there is any provision made in this bill which would force the banks, if this reduction is made, to give the borrowers the benefit of it?

Mr. OVERMAN. The Senator from Georgia [Mr. SMITH] has introduced an amendment to this amendment, which he will offer at the proper time, I think, to force them to loan it at the rate of 5 or 6 per cent. This amendment does not provide for that. The Senator from Missouri referred to-day to the fact that out of \$160,000,000 allotted to the banks of the entire South only \$8,000,000 have been taken. It costs about 2 per cent to handle this currency. If the banks can get it at 1 per cent they could loan it, and I believe they would loan it, at 5 per cent, and certainly at not a greater rate than 6 per cent.

As it is now, the borrower gets no benefit of it. This is all in the interest of the banks. I want to give it to them at 1 per cent, so that the banks will loan it to the borrowers at not exceeding 6 per cent.

Mr. THOMAS. Mr. President—

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

Mr. OVERMAN. I yield to the Senator from Colorado.

Mr. THOMAS. I should like to inquire of the Senator from North Carolina how any amendment to this act can be enacted that will be effective in fixing a low rate of interest to the borrowers of this money from the banks, unless the same rate of interest is made applicable to all moneys and all loans?

Mr. OVERMAN. We know that this money has been taken by the great cities of New York, Chicago, Kansas City, and so on. The leading cities of the country have taken most of this currency upon bonds at 3 per cent. They can afford to do it.

Mr. THOMAS. Oh, I concede that they can afford to do it. I am not arguing that. What I want to know is, if the amend-

ment offered by the Senator from Georgia becomes a part of the law, how it will be possible to compel the banks that get this currency to lend it upon that rate of interest, being free, of course, to charge whatever the money is worth as to all the rest of their money.

Mr. OVERMAN. That question is not up now.

Mr. THOMAS. It must be up.

Mr. OVERMAN. I only answered that upon an inquiry of the Senator from Mississippi [Mr. VARDAMAN]. The amendment which I propose is an amendment which was discussed here when the Vreeland-Aldrich bill was up, and at that time some of the leading Senators and the best financiers in this country said there ought not to be any tax at all for the first three months. They said: "If this is an emergency currency, if it is for the benefit of the people, why tax it at all? One per cent is enough to pay the expense to the Government of issuing the money, and it is all we ought to have. We ought not to put this tax on it, because, finally, it will come out of the borrower. The only tax that ought to be put on it is enough to pay the expense of issuing the money, and 1 per cent is sufficient for that."

Mr. THOMAS. I can understand very readily—and I have no doubt that was the reason which caused the Congress, when the bill was enacted, to fix this rate of interest—why it was required. This being emergency currency, it should be retired just as soon as the emergency which evoked its issue is over; and the best possible method of securing that result, and securing it automatically, is to place a heavy tax upon the money. Of course, when that is done, as soon as the emergency is over the money automatically flows back to the source of its issue, but without some such tax upon it it would be impossible.

Mr. OVERMAN. Mr. President, under my amendment the same tax is provided, except for the first three months, that is provided under the original Vreeland-Aldrich bill.

Mr. THOMAS. Oh, yes; a change is made only as to this particular amount; but my objection to the Senator's amendment is that it simply presents the bankers of the country who obtain this money with 2 per cent interest, and the man who borrows it does not get any benefit whatever from it. Why should we do that?

Mr. OVERMAN. I think we can trust to the bankers, if they can get this money at a lower rate of interest, to loan it to the farmers at a lower rate of interest than they are loaning it now.

Mr. THOMAS. I think we can trust to the bankers to get out of the money which they loan all that the business itself will justify. That is good banking.

Mr. WEST. Mr. President—

The VICE PRESIDENT. Does the Senator from North Carolina yield to the Senator from Georgia?

Mr. OVERMAN. I do.

Mr. WEST. I wish to ask a question of the Senator from North Carolina before he takes his seat. It is this: Lending this money at 5 per cent, as was suggested, would disturb the State rate; and how could they have two rates of interest?

Mr. OVERMAN. That question is not up now at all. The question is whether or not we will reduce the tax on this money, which, at last, comes out of the borrowers, from 3 per cent to 1 per cent, and trust to the bankers to loan the money out? That is all.

Mr. WEST. Does the Senator think the bankers would ever disturb the existing State rate?

Mr. OVERMAN. If they loaned at 6 per cent, probably.

Mr. STONE. Mr. President, I should like to ask the Senator from North Carolina and my colleague, who I believe is in charge of this bill, if it would be agreeable to have a short executive session at this time?

Mr. OVERMAN. It would be perfectly agreeable to me.

Mr. LEA of Tennessee. Mr. President, will the Senator from Missouri, before he makes that motion, yield to me to offer two amendments to the pending bill, so that they may be printed?

Mr. STONE. Yes.

The VICE PRESIDENT. The Senator from Missouri made an inquiry of his colleague which the Chair thinks is very appropriate.

Mr. REED. I had hoped that this measure would pass this evening; but in view of the fact that a number of amendments are to be offered it seems to me it will be hopeless, and, so far as I am concerned, I have no objection to an executive session.

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

Mr. STONE. I have yielded to the Senator.

Mr. LEA of Tennessee. I offer two amendments to the pending bill and ask that they may be printed and lie on the table.

The VICE PRESIDENT. That action will be taken.



Mr. SMITH of Michigan. I offer an amendment to the pending bill, which I ask to have printed and lie on the table.

#### INTERNATIONAL CONFERENCE ON WORLD'S PRICE OF STAPLES.

Mr. FLETCHER. Mr. President, there is a matter on the calendar about which no controversy at all will arise. Mr. Lubin, the American delegate to the International Institute of Agriculture, is here, and is soon to leave the city. A joint resolution on the subject passed the House and came to the Senate and was reported unanimously by the Commerce Committee and is now on the calendar. I should like to have it taken up and disposed of. It will not take a minute.

Mr. SMOOT. Mr. President, I could not hear the Senator's request.

Mr. FLETCHER. The request is that the Senate take up, out of order, House joint resolution 311, being Order of Business 678, and dispose of it at this time. It is a joint resolution which has passed the House and has been reported unanimously by the Commerce Committee of the Senate. It could be disposed of very soon, and I should like to have it done, because Mr. Lubin, the American delegate, is soon to leave the city, and it ought to be disposed of.

Mr. SMOOT. I will say to the Senator that I have not had a chance to read the resolution, and I do not know what it is. I should like to have the Senator state what it provides.

Mr. FLETCHER. It is a joint resolution instructing Mr. Lubin, the American delegate to the International Institute of Agriculture, to present to the permanent committee of that institute certain resolutions.

Mr. SMOOT. Oh, yes. I will say to the Senator that I have read the joint resolution, and I have no objection at all to it.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. JONES. Let the joint resolution be read.

Mr. STONE. I ask that it may be read.

The VICE PRESIDENT. The Secretary will read the joint resolution, as requested.

The Secretary read the joint resolution (H. J. Res. 311), as follows:

*Resolved, etc., That in accordance with the authority for letter (f) of article 9 of the treaty establishing the institute, which provides that it shall "submit to the approval of the Governments, if there be need, measures for the protection of the common interests of farmer," the American delegate to the International Institute of Agriculture is hereby instructed to present (during the 1914 fall sessions) to the permanent committee the following resolutions, to the end that they may be submitted for action at the general assembly in 1915, so as to permit the proposed conference to be held in Rome during the fortnight preceding the session of the general assembly of the institute in 1917:*

#### "RESOLUTIONS.

"The general assembly instructs the International Institute of Agriculture to invite the adhering Governments to participate in an international conference on the subject of steadying the world's price of the staples.

"This conference shall consist of members appointed by each of the Governments adhering to the institute, and is to consider the advisability of formulating a convention for the establishment of a permanent international commerce commission on merchant marine and on ocean freight rates with consultative, deliberative, and advisory powers. "Said conference to be held in Rome during the fortnight preceding the session of the general assembly of the institute in 1917."

Mr. JONES. Mr. President, what is the necessity for the immediate passage of the resolution?

Mr. FLETCHER. I will say to the Senator that the International Institute meets very soon, and this gives authority to the American delegate to present certain resolutions to them, calling upon their members to join in this conference.

Mr. JONES. If it will lead or have a tendency to lead to the formation of another international commission, I shall object.

Mr. FLETCHER. It is a matter for the International Institute of Agriculture, among its members, to thrash out. It calls for no other commission. It calls for no other step except for the institute to take up this subject.

Mr. JONES. I understood the resolution to contemplate the formation of an international commission.

Mr. FLETCHER. That is a matter that may come after 1917, if it ever comes.

Mr. JONES. Oh, yes. I know how these things come when they get started. They come, surely.

Mr. FLETCHER. I assure the Senator that there is no contemplation here of involving this Government in another commission.

Mr. JONES. I do not think I ought to consent to the passage of the joint resolution to-day.

Mr. FLETCHER. I am very sorry the Senator takes that view.

The VICE PRESIDENT. Objection is made.

#### MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed the bill (S. 4182) to authorize the installation of mail chutes in the public building at Cleveland, Ohio, and to appropriate money therefor.

The message also announced that the House had passed the bill (S. 4741) for the protection of the water supply of the city of Salt Lake City, Utah, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the bill (S. 4976) permitting the Wisconsin Central Railway Co. and the Minneapolis, St. Paul & Sault Ste. Marie Railway Co., its lessee, to construct, maintain, and operate a railroad bridge across the Chippewa River at Chippewa Falls, Wis., with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the joint resolution (S. J. Res. 121) authorizing the Secretary of War to furnish one United States garrison flag to William B. Cushing Camp, No. 30, Sons of Veterans, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 2909. An act to extend the privileges of the seventh section of immediate transportation act to Bay City, Mich.;

H. R. 7025. An act to authorize the Atchison, Topeka & Santa Fe Railway Co. to change its line of railroad through the Chillico Indian School Reservation, State of Oklahoma;

H. R. 10848. An act to amend an act entitled "An act to provide for the disposition and sale of lands known as the Klamath River Indian Reservation," approved June 17, 1892 (27 Stat. L., 52, 53);

H. R. 16510. An act to provide for recognizing the services of certain officers of the Army and Navy late members of the Isthmian Canal Commission, to extend to them the thanks of Congress, to authorize their promotion, and for other purposes;

H. R. 17893. An act to amend section 3 of an act entitled "An act to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon," approved March 4, 1907; and

H. J. Res. 335. Joint resolution to amend an act entitled "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," approved July 21, 1914.

#### ENROLLED BILLS SIGNED.

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

S. 1270. An act for the relief of Edward William Bailey; and  
S. 1171. An act for the relief of Samuel Henson.

#### PETITION AND MEMORIAL.

Mr. JONES presented a petition of the Commercial Club of Seattle, Wash., praying for the enactment of legislation to provide for the leasing of coal lands in Alaska, which was referred to the Committee on Public Lands.

He also presented the memorial of Dr. Edward Buckley, of Cincinnati, Ohio, remonstrating against the purchasing of American collateral held abroad through the medium of Treasury notes issued therefor, which was referred to the Committee on Banking and Currency.

#### BILL INTRODUCED.

A bill was introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BURLEIGH:

A bill (S. 6468) granting an increase of pension to Augustus Crowell; to the Committee on Pensions.

#### RIVER AND HARBOR APPROPRIATIONS.

Mr. JONES submitted an amendment intended to be proposed by him to the river and harbor appropriation bill, which was ordered to lie on the table and be printed.

#### HOUSE BILLS REFERRED.

The following bills were severally read twice by their titles and referred to the Committee on Indian Affairs:

H. R. 7025. An act to authorize the Atchison, Topeka & Santa Fe Railway Co. to change its line of railroad through the Chillico Indian School Reservation, State of Oklahoma; and

H. R. 10848. An act to amend an act entitled "An act to provide for the disposition and sale of lands known as the Klamath River Indian Reservation," approved June 17, 1892 (27 Stat. L., 52, 53);



math River Indian Reservation," approved June 17, 1892 (27 Stat. L., pp. 52, 53).

H. R. 2909. An act to extend the privileges of the seventh section of immediate transportation act to Bay City, Mich., was read twice by its title and referred to the Committee on Finance.

H. R. 16510. An act to provide for recognizing the services of certain officers of the Army and Navy, late members of the Isthmian Canal Commission, to extend to them the thanks of Congress, to authorize their promotion, and for other purposes, was read twice by its title and referred to the Committee on Military Affairs.

H. R. 17893. An act to amend section 3 of an act entitled "An act to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon," approved March 4, 1907, was read twice by its title and referred to the Committee on Interstate Commerce.

H. J. Res. 335. Joint resolution to amend an act entitled "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," approved July 21, 1914, was read twice by its title and referred to the Committee on Pensions.

#### EXECUTIVE SESSION.

Mr. STONE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened.

#### RECESS.

Mr. STONE. I move that the Senate take a recess until tomorrow at 12 o'clock meridian.

The motion was agreed to; and (at 6 o'clock and 5 minutes p. m., Wednesday, September 9, 1914) the Senate took a recess until tomorrow, Thursday, September 10, 1914, at 12 o'clock meridian.

#### NOMINATIONS.

*Executive nominations received by the Senate September 9 (legislative day of September 5), 1914.*

##### UNITED STATES ASSAYER.

James E. Russell, of Deadwood, S. Dak., to be assayer in charge of the United States assay office at Deadwood, S. Dak., in place of Llewellyn P. Jenkins, superseded.

##### PROMOTIONS IN THE ARMY.

###### CAVALRY ARM.

Lieut. Col. Augustus C. Maconb, Ninth Cavalry, to be colonel from September 2, 1914.

Lieut. Col. Charles H. Grierson, Cavalry, unassigned, to be colonel from September 4, 1914, vice Col. James B. Erwin, unassigned, detailed as adjutant general.

Maj. De Rosey C. Cabell, Eleventh Cavalry, to be lieutenant colonel from September 1, 1914, vice Lieut. Col. Godfrey H. Macdonald, unassigned, retired from active service August 31, 1914.

Maj. Farrand Sayre, Seventh Cavalry, to be lieutenant colonel from September 2, 1914, vice Lieut. Col. Augustus C. Maconb, Ninth Cavalry, advanced to the grade of colonel under an act of Congress approved March 3, 1911.

Maj. Grote Hutcheson, Cavalry, unassigned, to be lieutenant colonel from September 4, 1914, vice Lieut. Col. Charles H. Grierson, unassigned, promoted.

Maj. George O. Cress, Eighth Cavalry, to be lieutenant colonel from September 4, 1914, vice Lieut. Col. George W. Read, unassigned, detailed as adjutant general.

Capt. John W. Furlong, Sixth Cavalry, to be major from September 1, 1914, vice Maj. De Rosey C. Cabell, Eleventh Cavalry, promoted.

Capt. Robert J. Fleming, Tenth Cavalry, to be major from September 1, 1914, vice Maj. Lawrence J. Fleming, Fifth Cavalry, detailed in the Quartermaster Corps.

Capt. Edwin B. Winans, Fourth Cavalry, to be major from September 2, 1914, vice Maj. Farrand Sayre, Seventh Cavalry, promoted.

Capt. William T. Johnston, Fifteenth Cavalry, to be major from September 4, 1914, vice Maj. Grote Hutcheson, unassigned, promoted.

Capt. Harold P. Howard, Fourteenth Cavalry, to be major from September 4, 1914, vice Maj. George O. Cress, Eighth Cavalry, promoted.

First Lieut. Kyle Rucker, Fourteenth Cavalry, to be captain from September 1, 1914, vice Capt. John W. Furlong, Sixth Cavalry, promoted.

First Lieut. Ralph C. Caldwell, Sixth Cavalry, to be captain from September 1, 1914, vice Capt. Robert J. Fleming, Tenth Cavalry, promoted.

First Lieut. George M. Lee, Third Cavalry, to be captain from September 2, 1914, vice Capt. Edwin B. Winans, Fourth Cavalry, promoted.

First Lieut. Eben Swift, jr., Eleventh Cavalry, to be captain from September 4, 1914, vice Capt. William T. Johnston, Fifteenth Cavalry, promoted.

First Lieut. Henry S. Terrell, Tenth Cavalry, to be captain from September 4, 1914, vice Capt. Harold P. Howard, Fourteenth Cavalry, promoted.

Second Lieut. William R. Henry, Fourteenth Cavalry, to be first lieutenant from September 1, 1914, vice First Lieut. Ralph C. Caldwell, Sixth Cavalry, promoted.

Second Lieut. George F. Patten, Thirteenth Cavalry, to be first lieutenant from September 2, 1914, vice First Lieut. George M. Lee, Third Cavalry, promoted.

Second Lieut. Robert M. Cheney, Fourth Cavalry, to be first lieutenant from September 4, 1914, vice First Lieut. Eben Swift, jr., Eleventh Cavalry, promoted.

Second Lieut. Lawrence W. McIntosh, Third Cavalry, to be first lieutenant from September 4, 1914, vice First Lieut. Henry S. Terrell, Tenth Cavalry, promoted.

#### CONFIRMATIONS.

*Executive nominations confirmed by the Senate September 9 (legislative day of September 5), 1914.*

##### SURVEYOR GENERAL OF NEVADA.

John B. O'Sullivan to be surveyor general of Nevada.

##### POSTMASTERS.

###### CALIFORNIA.

Willard Wells, Eureka.

###### MINNESOTA.

Patrick McCabe, Proctor.

###### PENNSYLVANIA.

Clyde S. Xothers, Mount Pleasant.

###### WISCONSIN.

H. Meisner, Wittenberg.

#### HOUSE OF REPRESENTATIVES.

WEDNESDAY, September 9, 1914.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Conden, D. D., offered the following prayer:

O Thou great Father soul, whose love is ever going out to Thy children and always responsive to their appeals for the better life in Thee, incline our hearts to do Thy will and prepare us, as a people, to respond with all our souls to our President's holy proclamation that the prayers of a Nation may bring peace to the warring peoples; that the appalling waste of life, the sorrowing and suffering which follow in its wake, may cease, and peace once more smile upon all the world.

Hail with song that glorious era  
When the sword shall gather rust  
And the helmet, lance, and falchion  
Sleep at last in silent dust.

And everlasting praise be Thine, in Christ the Lord. Amen.

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

#### MERCHANT VESSELS IN THE FOREIGN TRADE OF THE UNITED STATES.

Mr. GREENE of Massachusetts. Mr. Speaker, I ask unanimous consent to file minority views on H. R. 18666 within five days. (H. Rept. 1149, pt. 2.)

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to file the minority views on the bill H. R. 18666 within five legislative days. Is there objection? [After a pause.] The Chair hears none.

##### WILLIAM ARMON.

Mr. RUSSELL. Mr. Speaker, I ask unanimous consent to discharge the Committee on Invalid Pensions from the further consideration of House joint resolution 339, to correct an error, and to consider the same at this time.

The SPEAKER. The Clerk will report the joint resolution.



The Clerk read as follows:

House joint resolution 339.

(To correct an error in H. R. 12914.)

Whereas by an error in printing the report of the House Committee on Invalid Pensions upon H. R. 12914, approved July 21, 1914 (Private, No. 86), the designation of the military service of one William Armon, late of Company D, Fifth Regiment Wisconsin Volunteer Infantry, was changed to read "William Armon, Company D, Fifth Wisconsin Volunteer Infantry": Therefore be it

Resolved, etc., That the paragraph in H. R. 12914, approved July 21, 1914 (Private, No. 86), granting an increase of pension to one William Armon, be corrected to read as follows:

"The name of William Armon, late of Company D, Fifth Regiment Wisconsin Volunteer Infantry, and pay him a pension at the rate of \$50 per month in lieu of that he is now receiving."

The SPEAKER. The gentleman from Missouri asks unanimous consent to discharge the Committee on Invalid Pensions from the further consideration of joint resolution 339 and consider the same now. Is there objection? [After a pause.] The Chair hears none.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

#### ORDER OF BUSINESS.

Mr. HUMPHREY of Washington. Mr. Speaker, I make the point of order there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and sixty-seven Members are present, not a quorum.

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

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

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

The Clerk called the roll, and the following Members failed to answer to their names:

Aiken	Fess	Knowland, J. R.	Sabath
Anthony	Finley	Korbly	Saunders
Ashbrook	FitzHenry	Langley	Scully
Austin	Flood	Lazaro	Shackleford
Barchfeld	Floyd	L'Engle	Shreve
Bartlett	Gallagher	Levy	Slemp
Beall	George	Lewis, Md.	Smith, Md.
Bell, Ga.	Gerry	Lewis, Pa.	Smith, N. Y.
Broussard	Gittins	Lindquist	Steenerson
Brown, N. Y.	Goldfogle	Linthicum	Stont
Browning	Gorman	Loft	Stringer
Buchanan, Tex.	Graham, Ill.	McAndrews	Summers
Byrnes, S. C.	Graham, Pa.	McGillcuddy	Sutherland
Calder	Greene, Vt.	McGuire, Okla.	Switzer
Carew	Griest	Mahan	Tavener
Carlin	Gudger	Maher	Thomson, Ill.
Carr	Guernsey	Manahan	Treadway
Clark, Fla.	Hamill	Martin	Underhill
Connolly, Iowa	Hensley	Merritt	Vare
Conley	Hinds	Metz	Volstead
Covington	Hoxworth	Morgan, La.	Walters
Crisp	Hughes, W. Va.	Murdock	Watkins
Dixon	Humphreys, Miss.	Nelson	Webb
Dooling	Jones	Palmer	Whaley
Doughton	Kahn	Parker	Wilson, N. Y.
Dunn	Kelley, Mich.	Patten, N. Y.	Winslow
Dupré	Kennedy, Conn.	Peters	Woodruff
Elder	Kent	Powers	
Estopinal	Kindel	Rainey	
Faison	Kinkead, N. J.	Rupley	

The SPEAKER. On this roll call 313 Members answered to their names, a quorum.

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

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

The SPEAKER. The Doorkeeper will open the doors.

#### CALENDAR WEDNESDAY—CODIFICATION OF PRINTING LAWS.

The SPEAKER. This is Calendar Wednesday, and under the rule the House automatically resolves itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 15902, and the gentleman from North Carolina [Mr. PAGE] will take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 15902, with Mr. PAGE of North Carolina in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 15902, the title of which the Clerk will report. The Clerk read as follows:

A bill (H. R. 15902) to amend, revise, and codify the laws relating to the public printing and binding and the distribution of Government publications.

The CHAIRMAN. There is an amendment pending, offered by the gentleman from Pennsylvania [Mr. MOORE].

Mr. MOORE. Mr. Chairman, the amendment was pending when the House adjourned on Wednesday last; but as there is

a larger attendance this morning and the matter is not thoroughly understood, I ask unanimous consent that 10 minutes' debate on the amendment be allowed on each side.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent that there may be 10 minutes' debate on the pending amendment on each side, 10 minutes to be controlled by himself and 10 minutes by the gentleman from Indiana [Mr. BARNHART]. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE. Mr. Chairman, those Members of the House who are interested will find the question under consideration by reference to page 20 of the bill to amend, revise, and codify the laws relating to the public printing and binding, and so forth. It was proposed by the gentleman from Washington [Mr. JOHNSON] in an amendment offered by him that the word "job" should be stricken out of line 24, thus leaving compositors relatively the same as printers and advancing printers to the classification of compositors. It was a technical amendment, involving a technical proposition, and in order to get over the technicality my amendment was offered to strike out the numerals "50," in line 22, and insert the numerals "55." The effect of this amendment would be that printers and bookbinders would be lifted to 55 cents an hour, the same as compositors, imposers, pressmen, marblers, and bookbinder machine operators, who now receive 55 cents per hour. The object was to equalize the pay in the Government Printing Office for relatively the same kind of work.

Mr. GORDON. Mr. Chairman, will the gentleman permit a question?

Mr. MOORE. A brief question.

Mr. GORDON. How does the gentleman's proposed amendment to fix the pay compare with the pay received generally for the same character of work outside?

Mr. MOORE. It is generally known that the pay in the Government Printing Office is better in some respects than it is elsewhere.

Mr. GORDON. How does it compare?

Mr. MOORE. It is higher than in some other places.

Mr. GORDON. How much?

Mr. MOORE. It varies. In one city it is so much and in another city it is so much, but in the Government Printing Office we pay 50 and 55 cents per hour. The Government Printing Office employees, however, are subject to a higher cost of living here than elsewhere, and they receive less per hour than is paid in some of the private establishments in the District of Columbia. This is in answer to the question put by the gentleman from Ohio [Mr. GORDON].

The Government Printing Office employee is necessarily put to a higher living expense in Washington than he is in his home city. In the first place, he has to move here. He has to move back. If there is sickness at home he has to pay the transportation cost. If there is a burial of a member of his family he has to carry the body home. All this adds to his expense; in addition, every item in the cost of living here—grocery bills, doctors' bills, and all that sort of thing—is higher than it would be in the city from which he came.

Mr. FARR. May I say to the gentleman that that compensation is not as great as in many of the large cities of the country?

Mr. MOORE. That is true. The information as to the wages of printers given by the gentleman from Indiana [Mr. BARNHART] the other day I find is misleading. He did not have the accurate figures in regard to the pay of printers in Philadelphia. As to the pay of printers in Baltimore, I have not had time to inquire. Now, Mr. Chairman, if we differentiate as between a printer and a compositor, as proposed in this bill, and give to one 50 cents and to the other 55 cents an hour, we really punish certain men who stand on all fours with others in the Government Printing Office by a mere matter of designation.

This is the inequality which the amendment seeks to avoid. A printer and a compositor are substantially the same, and the bookbinder, pressman, and so forth, pass the work along. To put the compositor in one class—he is a printer—and make him a "job" compositor and to fix his rate at 55 cents an hour simply gives a preference to a special class of men who, after all, do the same kind of work as the others.

Mr. BORLAND. Mr. Chairman, will the gentleman yield there?

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

Mr. MOORE. How much time have I remaining, Mr. Chairman?

The CHAIRMAN. The gentleman has five minutes remaining.

Mr. MOORE. I can not yield to the gentleman. I yield to the gentleman from Washington [Mr. JOHNSON].



The CHAIRMAN. The gentleman from Washington [Mr. JOHNSON] is recognized for four minutes.

Mr. JOHNSON of Washington. Mr. Chairman, one week ago I went into the technical side of this question very carefully. At that time I introduced an amendment, the point of which is, I think, more fully covered by the amendment of the gentleman from Pennsylvania [Mr. MOORE], inasmuch as his amendment cares for the bookbinders as well as the printers. I desire to call attention to these two full sheets of this Book of Estimates for employees in the Government Printing Office. There are one hundred and fifty or more classifications, and there appears to be no printers whatever. I can not find them in the list. Compositors, imposers, makers-up, machinist-operators, but no printers.

Now, I have made an estimate of the cost of printing at the down-town newspaper offices in the city of Washington. The scale of pay in the city of Washington in the newspaper offices for all grades of printers, including compositors, day rate, is \$4.25 for a day of seven hours, with 86 cents per hour in excess of seven hours. Just think of that for a day rate down town as compared with the rate of 50 cents an hour in the Government Printing Office! The Government printers are underpaid 25 cents a day. The night scale for all printers, including compositors, in the down-town offices in the city of Washington is \$4.66 for seven hours and 90 cents an hour for all time in excess of seven hours.

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

Mr. JOHNSON of Washington. Yes; certainly.

Mr. MOORE. That is to say, a job compositor, or printer, in a private office in the District of Columbia receives higher pay than the Government employees in the Government Printing Office?

Mr. JOHNSON of Washington. Yes.

Mr. GORDON. Does that include the pay of the editors and managers?

Mr. JOHNSON of Washington. Oh, no; only printers. In this case—that is, down town—they are union printers, and the Government Printing Office is an open shop, with union men predominating.

Now, note this: In the Government Printing Office, an all-around printer must be a master of all branches of the trades mentioned in the list, and he must have served a four-years' apprenticeship. Mr. Chairman, in this bill they are putting master printers at the bottom of the list, while a young man who can go to a linotype school seven or eight months and learn to operate a linotype machine can earn more money than the old-fashioned all-around printer of the Benjamin Franklin school, who does all kinds of hard work in the Government Printing Office now.

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

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

Mr. JOHNSON of Washington. In just a moment. On pages 70 and 72 of the committee hearings you will find this statement of the Public Printer in regard to the work of the Government Printing Office and the work outside, showing that the character of work done outside of the Government Printing Office differs greatly from what is required there. For instance, Mr. Ford says:

The character of the work outside of the Government Printing Office differs greatly. If a first-class printer should come into the Government Printing Office it would take him quite a while to master the style of the Government Printing Office. It has a style of its own, and the character of its work is entirely different from anything done outside, and it means that none but high-class men can work in the Government Printing Office. The Government Printing Office, in my estimation, needs the high-class men. Following out that argument, I am of the opinion that they should receive a little more than is paid on the outside.

And again, he says, on page 72:

The amount estimated that would carry those increases, if given, I believe was somewhere in the neighborhood of \$90,000 per year. Capt. Chisholm has just brought to my mind the fact that the figures as printed in the statistics are taken from the prevailing union scale of cities. As Capt. Chisholm says, the printer, for instance, in the jurisdiction of the union in which I worked previous to coming to Washington, worked under a union scale of \$27 per week. We had at least nine men who received beyond that scale, because of the character of the work. They have a force of 15 men on the floor. The union fixes a minimum rate. That is what these figures are. That is the minimum rate. If these figures are made up from that minimum rate it is not a fair comparison as to the general wage paid in the trade. At least I do not think so. That is the minimum.

Thus it is seen that the work in the Government Printing Office is more intricate, delicate, and hard as compared with the work in the down-town newspaper offices in this city and in other cities of the country. Also, it is clear that the general minimum scale does not offer a true comparison.

Now I yield to the gentleman from Georgia.

Mr. TRIBBLE. Granting what the gentleman from Washington has said is true, I wish to ask the gentleman to explain why it is that private printing offices in Washington, D. C., will publish speeches for Members of Congress more cheaply than the Public Printer will?

Mr. JOHNSON of Washington. Because the down-town offices are job-printing shops. I will say, Mr. Chairman, that in any private printing office the owner of the shop allows himself, under the union plan, a wage of \$24 a week—a minimum wage. Also, he will cut the price very close in making a bid for such work. This great Government office over here is not a job-printing office at all. The designation "job printer" is a misnomer there, as a matter of fact.

I will say frankly that although I have not printed for 25 years or more, yet if I could get the indorsement of a few good Democratic Members of Congress I could no doubt get a position in the Government Printing Office as a job compositor at 55 cents an hour, and I could set a standard title, like that printed on all these reports and documents, and I could make good in that line of work. But if I got a job as printer and worked on the "bank" or behind a Monotype machine I would probably be dismissed inside of eight hours. That is all there is to it. The all-around, good men are the underpaid men now. All are experts; all deserve all the pay they receive.

Mr. Chairman, I yield back to the gentleman from Pennsylvania [Mr. MOORE] the balance of my time.

The CHAIRMAN. The gentleman from Washington yields back two minutes.

Mr. BARNHART. Mr. Chairman, I yield three minutes to the gentleman from Georgia [Mr. HOWARD].

The CHAIRMAN. The gentleman from Georgia [Mr. HOWARD] is recognized for three minutes.

Mr. HOWARD. Mr. Chairman and gentlemen of the committee, I am opposed to the amendment offered to this particular section. If there ever was a time in the history of our country when salaries of all officers, from United States Senators down to almost the humblest officeholder in this country, ought to be reduced, that time is now.

And if I had the power to do it, instead of passing an additional revenue measure to raise money to carry on the expenses of the operation of this Government, I would introduce a substitute to take out of the salary of every officeholder from the President of the United States down to a \$1,500 officeholder 10 per cent of his salary. [Applause.] That is what I would do.

Mr. LA FOLLETTE. Will the gentleman yield?

Mr. HOWARD. I have only a little time.

Mr. LA FOLLETTE. How much would you reduce the pay of Congressmen?

Mr. HOWARD. I would reduce it 10 per cent.

Mr. LA FOLLETTE. That is not enough to reduce the pay of some of them. [Laughter.]

Mr. HOWARD. I will say to the gentleman from Washington that the Pennsylvania Railroad Co. can lay off 20,000 men if that company is in distress, but the people of the United States have to go on paying this army of officeholders in this country good salaries. The cotton farmers in my section to-day are hauling cotton to town and can not sell it, but you are talking of paying a lot of Government Printing Office fellows here 55 cents an hour when the farmers and laborers in my district would be glad to get 20 cents.

This is no time to increase salaries. They do not deserve the increase. They get better pay now than the average union printer in this country; and to say that the Government officials of this country are going to be made a dumping ground for high salaries—it is time for this Congress to stop it. There is no merit in it, in the present condition of affairs, and it ought not to pass, and I hope that every man here will vote against it.

Mr. JOHNSON of Washington. Do you think that the expert printers in the Government Printing Office ought to receive less wages than bricklayers receive?

Mr. HOWARD. I do not know whether they do any more work than a bricklayer, and they are no more expert than bricklayers. If the job does not suit them, let them get out; there are plenty of printers in my district to take their jobs. But when did you ever hear of any Government employee getting out?

Mr. JOHNSON of Washington. Many times.

Mr. HOWARD. When a Government employee gets hold of the Government teat, he sticks there until the cows come home. You never hear of one of them quitting the job. If they do not want to work for 50 cents an hour, let them get out. If you do not want to work for \$7,500 a year, then quit your job. Nobody is asking you to stay on it. The people would probably be glad of it if some of us quit, from the evidences of certain things I have seen done here recently.



Mr. LA FOLLETTE. Will the gentleman yield for another question?

Mr. HOWARD. If you will be quick about it.

Mr. LA FOLLETTE. You do not mean they stick until the cows come home, but until the cow goes dry.

Mr. HOWARD. They will hold to it until another cow comes in to take the place of the one they had. You need not bother about any Government employee quitting his job. They will always hold on to them, and they will always tell you Members of Congress "If you do not raise my salary I can not live." And yet all those with whom I have come into contact are pretty healthy specimens for men who were starving to death. There is no merit in this amendment, and I hope it will be defeated. [Applause.]

Mr. MOORE. Mr. Chairman, how much time is left on each side?

The CHAIRMAN. There are two minutes remaining to the gentleman from Pennsylvania and seven minutes to the gentleman from Indiana [Mr. BARNHART].

Mr. MOORE. Will the gentleman from Indiana use some of his time now, or will he consent to additional time? There are a number of gentlemen who are anxious to speak on this question.

Mr. BARNHART. There will be other opportunities to speak. There will probably be other amendments, and I trust the gentleman will not ask for additional time on this one. There will be only one more speech on this side. I retain the right to close the debate, of course.

The CHAIRMAN. There are two minutes remaining to the gentleman from Pennsylvania [Mr. MOORE].

Mr. MOORE. Mr. Chairman—

Mr. O'SHAUNESSY. Will the gentleman yield?

Mr. MOORE. I can not yield.

Mr. O'SHAUNESSY. I merely want to get some information before the House.

The CHAIRMAN. The gentleman from Pennsylvania declines to yield.

Mr. MOORE. Mr. Chairman, I would like to have my full two minutes from now.

The CHAIRMAN. The gentleman has two minutes.

Mr. MOORE. Now I yield to the gentleman from Rhode Island for a question only.

Mr. O'SHAUNESSY. I want to find out how many men this affects and what the expense will be. I have not heard any statement about that.

Mr. MOORE. It will affect a little more than 500 men, but I am quite sure the gentleman from Indiana [Mr. BARNHART] is going to deal with that phase of the question. With me it is not a question of how many men it affects; the more the better. If they are not being properly paid, they ought to be properly paid, and instead of wasting the Government money on great projects into which the Government ought not to go, we had better pay the employees of the Government a sufficient wage to enable them to live decently in the city of Washington and elsewhere.

Mr. O'SHAUNESSY. I agree with the gentleman from Pennsylvania.

Mr. MOORE. I am much obliged to the gentleman. I thought he would. The men who are engaged in the Government Printing Office are high-grade workmen. What the gentleman from Georgia [Mr. HOWARD] said about them a moment ago is lamentable from the point of view of a man who wants to encourage skilled labor. It is true that bricklayers in Washington receive more wages per hour than the men in the Government Printing Office, and carpenters also. Yet we depend upon these men down there in the Government Printing Office every day in our lives to get the work done which is necessary for the proper conduct of legislation. It will be said by the gentleman from Indiana [Mr. BARNHART] that these men get 30 days' leave. That is not so. They get 26 days' leave, for the Sundays are included. It will also be said by the gentleman that they have regular work all the year. Sometimes that is not so, because occasionally some of these men are laid off. There are periods of depression even in the Government Printing Office that play havoc with "the life job" that the gentleman from Indiana spoke about. They work Sundays, too, and at night, and yet, it appears, they do not receive for that extra work what is received by employees of private publishers in the District of Columbia. I would rather—and I state this with some feeling, Mr. Chairman—I would much rather, when it comes to voting the money of this Government to vote it so that it may be expended in the United States to improve the standard of living here than to risk it on railroads in Alaska, or spend it on foreign ships for the benefit of foreign labor. The gentleman from Indiana may cite some American cities where wages paid

are less than in the Government Printing Office. I wish he would cite some foreign countries where the wages paid to job compositors are as one to three or four of those paid in the United States.

I wish the gentleman from Indiana would give us more time to discuss this question. Questions of wages arise when the campaign is on, but gentlemen get weak-kneed and show little interest in the scale when party responsibility puts them up against the problem of economy or party mismanagement. [Applause on the Republican side.]

Mr. BARNHART. Mr. Chairman, I want to disagree with some of the extravagant statements made by the gentleman from Pennsylvania [Mr. MOORE], likewise with some of the extravagant statements made by the gentleman from Georgia [Mr. HOWARD]. If I can have your attention a few minutes, I would like to make a plain statement of this business proposition as it exists. The committee has taken the report of the Department of Labor as its basis of the wage scale. In my statement last Wednesday I called attention to the wages of these printers. I call attention, in answer to the interrogatory of the gentleman from Rhode Island [Mr. O'SHAUNESSY], as to the number of men who would be affected by this amendment—that it will affect 628 men, increasing their wages \$82,296. This wage scale is made up from a report of the union scale of wages by the United States Department of Labor, of May 15, 1913, and the opening paragraph of this report says:

The union scale, as the term is here used, is a definite statement of wages and hours of labor agreed to by employer and organization of union men, and under which union men actually are working.

Now, Mr. Chairman, I want to call attention of the gentleman from Pennsylvania to the fact that the finishers and compositors, whose wages it would affect by increasing them 5 cents an hour, are receiving in the city of Philadelphia, his home city, 45.08 cents an hour.

Mr. JOHNSON of Washington. What class of labor is that?

Mr. BARNHART. First-class finishers. The plain finishers get 39.58, and the fancy finishers 45.08.

Mr. JOHNSON of Washington. And the bonus.

Mr. BARNHART. The report does not show any bonus.

Mr. MOORE. From what is the gentleman reading?

Mr. BARNHART. I say that the wage scale for plain finishers in Philadelphia is 39.58 and fancy finishers—we do not have any fancy finishers in the Government Printing Office. The compositors in Philadelphia receive 37.50, or, I believe, now 39.58, per hour, as I hear it has been recently increased.

Now, the gentleman may cite larger cities, where expenses are higher and where they pay more, and yet he proposes that we increase the wages from 50 cents to 55 cents. I submit as a business proposition—while I would like to see every workman in this Nation get every dollar he can—I think it ought to be decided as a business proposition. The men in the Government Printing Office are receiving the highest rate of wages, with five exceptions, in the United States, and they are western cities. The gentleman from Washington has a city, I think, that pays more than any other city in the United States in union wage scale.

Now, as I say, these men in the Government Printing Office get the highest rate of wages and 30 days' leave of absence at full pay, or will under the provisions of this bill. They also have hospital facilities the like of which does not exist anywhere else in the United States. Besides, they have practically a lifetime job; their job is secure in storm and sunshine, in panic and whatnot. And they have the facilities that other printers do not have.

In reference to what the gentleman said about the Public Printer recommending this increase, he did. And then he urged, as a climax, the increase of his own salary.

Gentlemen, there is no disposition on the part of the committee to oppose a fair increase of wages, but these men, as the committee see it, are given more than a wage scale, based on the report of the Department of Labor, which is presided over, as everyone knows, by one of the best friends of union labor in the country.

Mr. MOORE. Will the gentleman yield?

Mr. BARNHART. Yes.

Mr. MOORE. The gentleman has been using the Department of Labor figures regarding the Philadelphia wage scale; will the gentleman permit me to state what the rate is?

Mr. BARNHART. The gentleman has made his speech, and I can not yield further. Now, the gentleman from Washington referred to the job printers. The men to whom he refers are newspaper-office printers. They are job and poster men; they set up the illustrated advertisements, and they work at hand-work altogether. The job printers in the Printing Office, 60 in number, do fancy work and card printing, but the other com-



positors that you propose to raise from 50 to 55 cents are a class of workmen who do straight work, or work on copy that is unintelligible, or in instances where the machines can not be used.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. BARNHART. Yes.

Mr. JOHNSON of Washington. Is it not a fact that any printer in the Government Printing Office detailed to do the work under any class mentioned in the bill in any other department could not receive more than 50 cents?

Mr. BARNHART. No; I should say that is not the fact. I want now to quote from the reports of the officers of the International Typographical Union of the sixtieth session, which was held recently, for they give a table here which will be interesting to all of us. The average earnings per member of the members of the Typographical Union in the United States in 1909 was \$897; in 1910 it was \$953; in 1911, \$974; in 1912, \$992.

The CHAIRMAN. The time of the gentleman from Indiana has expired. All time has expired.

Mr. BARNHART. Mr. Speaker, I ask unanimous consent that I may have half a minute to finish this table.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent to proceed for half a minute. Is there objection? There was no objection.

Mr. BARNHART. In 1913 the average earning per member was \$1,023, and in 1914, \$1,042. The average earning of a printer in the Government Printing Office is \$1,248, and he gets 30 days leave of absence with full pay and all of these other advantages besides.

Mr. BUCHANAN of Illinois. Mr. Chairman, in view of the statement which the gentleman from Indiana made when the time had expired, I ask unanimous consent to proceed for one minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BUCHANAN of Illinois. Mr. Chairman, I want to say that the comparison made by the gentleman from Indiana in regard to the average wages in the Government Printing Office and the average wages of all of the printers throughout the country is absolutely unfair, and if his whole argument is as unfair and as misleading as that there is nothing to the argument whatever. You may take any printing establishment in the country and find that the average annual earning of the men working in that establishment will be even higher than it is in the Government Printing Office. Therefore I wish to state that such a comparison should have no weight with anyone in voting upon this question.

The CHAIRMAN. The time of the gentleman from Illinois has expired. All time has expired. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. MOORE) there were—ayes 90, noes 43.

Mr. BARNHART. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. BARNHART and Mr. MOORE to act as tellers.

The committee again divided; and the tellers reported—ayes 105, noes 41.

So the amendment was agreed to.

Mr. BUCHANAN of Illinois. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 20, line 24, strike out the word "pressmen," and in line 2, page 21, strike out the words "in charge."

Mr. BUCHANAN of Illinois. Mr. Chairman, the effect of this amendment will be to increase the wages paid to pressmen from 55 cents to 60 cents an hour. Of course, the same arguments will be made against this that gentlemen usually make against any effort that is being made to get the compensation of the working people to where it should be, in view of the present prices in the city of Washington, especially at this time, when we have war prices to pay. It will be said that this is more than the union scale throughout the country, which no doubt is true; but I want to say that much more than the union scale provided for is usually paid. The distinction between a union scale in regard to an employer and the scale fixed in the bill for the Government to pay is that when the Government fixes the scale it makes a maximum price, but when the union agrees with an employer upon a certain scale a minimum price is fixed, and very often much more than that price is paid, and that applies especially to pressmen. The work of a pressman is very skilled. It is necessary that he understand machinery. It is admitted to be a skilled trade, and the conditions have been such that pressmen of high skill who have been

working for the Government have resigned their positions in order to work for private individuals or corporations.

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

Mr. BUCHANAN of Illinois. Not at this time. To bear out my position I want to read part of a statement that is in the hearings. It is in the testimony of Mr. McFarland, who is an expert foreman in the Printing Office, and I want to read what he says about the matter. It is as follows:

Mr. GECKLER. Mr. McFarland, I wish to ask you, is it not a fact that some of the pressmen at the Government Printing Office get 60 cents an hour?

Mr. McFARLAND. Yes; that is carried in the pay roll.

Mr. GECKLER. I want to ask you what you think about a 60-cent flat rate for the pressmen in the Government Printing Office?

Mr. McFARLAND. It is my opinion, and I have advocated it for some years, that there should be a flat rate that would permit of greater flexibility in handling the affairs of the office, and it would be less expensive to the Government in the accounting system. I have advocated that for a long time. It enables the foreman to take a man off one machine and put him on another machine at the same price. You do not have to keep tab on it, and that tab does not have to go to the accountant and bookkeeper, and so on up. It would be better.

The CHAIRMAN. Now, Mr. McFarland just there; sometimes a man is taken off one press with which he is familiar and placed on another press with which he is not familiar. That is done sometimes, is it not?

Mr. McFARLAND. I do it every day, and I am doing it. I hope I always will do it. I have men that do not know how to handle one machine, and it is to my advantage and to the advantage of the office and to that man that I break him in.

Mr. GECKLER. Mr. McFarland, I desire to ask you a question in regard to many good men leaving the Government Printing Office in the last few years. Have you not lost some good men?

Mr. McFARLAND. Frequently good men resign. Our men are all good, but, like whisky, some are better.

Mr. GECKLER. They go to take better positions?

Mr. McFARLAND. Invariably. Some go to the Curtis people over in Philadelphia. Some go to Horace Macfarland, up in Harrisburg. Some go to the New York Journal, and so on.

The fact is that the information brought out in these hearings demonstrates to me that it is of interest to the Government Printing Office and they will get more work done and better work done by increasing the pay of the pressmen. They have increased their efficiency from time to time, and they have increased their productive power from time to time, due to new methods and greater efficiency. I think it is only fair that the wages of the pressmen should be equalized and this increase be given.

Mr. GORDON. Mr. Chairman, I think this trading off of public money for votes has reached the point of almost a public scandal and disgrace. Gentlemen stand up here and advocate an increase in wages for Government employees that is away above and beyond what private concerns in the same business pay. The gentleman who just took his seat, who is a loyal union-labor man, I think—he always votes for everything that they ask for—himself admits that this scale that he proposes is higher than the union scale. We have just adopted an amendment offered by the gentleman from Pennsylvania [Mr. MOORE], who is performing here near his constituents, in the limelight, and he is forced to admit that the wages paid in Philadelphia are 37 cents an hour, although in this House he votes to pay these people 55 cents an hour.

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

Mr. GORDON. I will not yield.

Now, Mr. Chairman, it is all nice enough to make presents out of the Public Treasury, but I think it has gone about far enough. I think decent men ought to stop and think before they continue to grant increases in salaries and vote out public money without regard to merit or what is just and fair. I do not believe there is a man in this House who thinks Mr. BARNHART, chairman of this committee, who is himself a practical printer and a practical newspaper man of many years' experience, would bring in a report here that was unjust to any Government employee. There is not a man here who believes any such thing as that. It is simply pandering to these different organizations for votes, to obtain their favor by voting away the public money. Now, that is my opinion about this proposition. [Applause.]

Mr. GILL. Mr. Chairman, I am actuated to rise at this time to give voice to the sentiments that I have, owing to the remark of the gentleman who has just taken his seat, in which he has offered as an argument that pressmen's wages were high enough; that he was tired of listening to men on this floor advocating an increased pay for the avowed purpose of vote baiting. I believe the union-labor people he speaks of in this country have done more to uplift the American people than any other agency in the United States. The gentleman speaks of 37½ cents an hour. Figuring up eight hours in a day, that means \$3 a day. Three dollars a day in this country, with about one-third lost time, would average a wage of \$2 per day. The chairman of the committee himself mentioned a while ago that the average wage as given by the figures was \$2.42 a day in this country. I say to you, gentlemen, it is my honest con-



viction that a father can not maintain a family respectably on \$2.50 a day with the prices that are now ruling in this country. [Applause.] Let us be fair in this matter.

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

Mr. GILL. Yes, sir.

Mr. DIES. I would like to know of the gentleman from Missouri, if that is true, how the great body of agriculturists and the great body of day laborers, those who stand at the bottom of the fabric of this Government, can maintain themselves if they can not do it on \$2.50 a day?

Mr. GILL. I concede to the great agriculturists that which is due them. They are a brave and noble people, but they are no braver than those who fight the battles to give the working people of this Government a greater purchasing power in order that they may live respectably. [Applause.] The agriculturist is working under an entirely different economic base from that of the workman in an industrial center. The farm laborer, no matter how low his wage is, is always in close contact with the three primals of human society, namely, food, clothing, and shelter, whereas the workman in an industrial center is always in doubt and fear of having any one of the three, and rarely all of them at once.

Mr. CARAWAY. Will the gentleman yield?

Mr. GILL. I will.

Mr. CARAWAY. What does the gentleman mean by respectably? What does the gentleman mean by that term?

Mr. GILL. I mean this, that they are entitled to a home, they are entitled to own that home, they are entitled to a purchasing power that will keep that home—

Mr. CARAWAY. That does not mean respectably. What does the gentleman mean by respectably?

Mr. GILL. I mean it is to keep his family and home respectably—it is to keep them in clothing and food and to send them to school and to keep them out of the factories long enough to give them an average education—those are the things I mean, and a father can not do that with five children on \$2.40 a day, in my judgment.

Mr. GORDON. Will the gentleman yield?

Mr. GILL. I will.

Mr. GORDON. The rate the gentleman is discussing is not \$2.50. The lowest is 50 cents an hour.

Mr. GILL. I am taking the figures offered by the chairman of this committee.

Mr. GORDON. The gentleman is not quoting him correctly.

Mr. GILL. Yes; I am quoting the figures he gave.

Mr. BARNHART. I insist that the gentleman has gone far from the facts. Fifty cents an hour is the lowest rate quoted in this bill anywhere.

Mr. GILL. I am not speaking of the bill, I am speaking of the gentleman's statement when he quoted some figures a while ago and he gave as an average annual wage \$897. I know men in this country who belong to crafts that are making \$6 and \$7 when they are working, but they do not always work. Now, the great trouble in this country, in my judgment, is not with the trade-unionists, it is not with the workmen of this country, but it is with those lawyers who are sitting in the legislative bodies of this Nation yielding to political importunities, constructing machines to further their own ends politically.

You take the great railroads of this country to-day, gentlemen. It is not the workman as a general thing who is complaining against his employer. The trade unionist looks upon the employer as his friend. It is not the union-labor men who are causing trouble with our railroads and other great industries. I firmly believe, as I said a while ago, it is the other fellow. This increase in the wages of these men is not so great an increase, it is only 40 cents a day, and whenever I see an opportunity to give a workman an increase in the purchasing power that will enable him to live better, I am going to vote that way. [Applause.]

In answer to the specific question of the gentleman from Texas [Mr. DIES], how the day laborers, "those who stand at the bottom of the fabric of this Government" can maintain themselves on \$2.50 per day, I would reply that if he were to examine closely into the actual facts of each particular case where the wage was \$2.50 per day, he would find that in case of the head of a family receiving \$2.50 per day only he would be compelled to call in the assistance of other members of his family group to help him carry the burden of its maintenance and support with existing high prices. Now, as a matter of fact, the average day laborer in our industrial centers, from the reports gathered by our own congressional committees, is not \$2.50 per day, and does not nearly approximate that figure—is far below it.

[Mr. DIES addressed the committee. See Appendix.]

Mr. BARNHART. Mr. Chairman, does the gentleman from Pennsylvania [Mr. MOORE] want to use some time?

Mr. MOORE. I want to speak against the motion of the gentleman from Texas [Mr. DIES].

Mr. BARNHART. Mr. Chairman, I ask unanimous consent that all debate upon this amendment close in 10 minutes.

The CHAIRMAN. The gentleman from Indiana [Mr. BARNHART] asks unanimous consent that all debate on this amendment close in 10 minutes. Is there objection?

Mr. BUCHANAN of Illinois. Reserving the right to object, Mr. Chairman, do I understand the gentleman from Pennsylvania [Mr. MOORE] to say that he will speak in opposition to the amendment?

Mr. MOORE. In opposition to the amendment of the gentleman from Texas [Mr. DIES].

Mr. BARNHART. The gentleman from Texas moved to strike out the last word.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MOORE. Mr. Chairman, I think there is no more entertaining speaker in this House than the gentleman from Texas [Mr. DIES], and taking his point of view he is as strong and virile a friend of the farmer as any, and the Lord knows this House is full of "farmers' friends." Sometimes we hear of the "laborer's friend," and sometimes we are criticized for talking too much about the farmer and the laborer. I believe that the farmer and the industrialist in the city are interdependent, and that you can not decently and economically separate one from the other. One depends upon the other, because otherwise there would be stagnation in this country, each man hieing to his own vine and fig tree. There he would remain, and there would be the limit of his ability. His family might cluster round about him, but that is all; nothing more. Trade and commerce would fail.

But the gentleman from Texas [Mr. DIES], coming from a sick bed—and I am mighty glad to see him out again—in beautiful phraseology, for his language captivates, again pleads for the "downtrodden farmer." Just here it is significant that statistics indicate that the "downtrodden farmer," as he calls him, is riding in the automobile manufactured by the industrialist who lives in the city, and that the industrialist who makes the automobile is not riding in the automobile at all. But that is in passing. If the eloquent gentleman in his plaintive plea for the man who works upon the farm would sometimes cast his eye toward the city, where the working people are packed like sardines in a box, looking for work, he might change his notions a little bit about the lot of the man who toils in the mill and the factory, and who lives in the narrow streets and the back alleys. He would learn a lesson that would be truly useful to him, and in his spirit of fairness I know he would—

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

The CHAIRMAN. Does the gentleman from Pennsylvania yield to the gentleman from Texas?

Mr. MOORE. Yes; I will yield to my friend, and I will not call him "vulnerable," either.

Mr. DIES. Does the gentleman hope to relieve the "packed sardine" employees of his factories by taxing them and paying the employees in Washington more than they are paid at home?

Mr. MOORE. Why, I have a distinct recollection that the gentleman from Texas, only a few months ago, voted to take the "burden" off the backs of the American people "by giving them free imports," and I recall the fact that the gentleman stood for bringing in the products of the cheap labor of Europe to compete with the honest labor of the United States.

Mr. GORDON. Oh!

Mr. MOORE. Ah, the gentleman from Ohio [Mr. GORDON] may smile and sneer and ridicule the workmen of his own district, but he will not go back there and face them on this issue.

Mr. GORDON. Why not answer the gentleman's question?

Mr. DIES. If the gentleman from Pennsylvania thinks the diminution of imports is a blessing to the country, he ought to thank God for this European war.

Mr. MOORE. The war is a godsend to the gentleman's party; I think it is also the greatest blessing to the farmer in this country. Down South they are soaking the price on cotton, and out West they are soaking the price on corn and wheat, and the people in the cities are paying higher prices—

Mr. SLAYDEN. At what have they fixed the price of cotton in the South?

Mr. MOORE. At so much per bale and no less; and then they come up here and in a dozen diverse ways attempt by legisla-

tion to keep the price up, so that they can hold it and keep the mills in Europe in operation whether they close the mills of New England or not.

Mr. SLAYDEN. The gentleman has not answered my question.

Mr. GORDON. Of course he will not answer it.

Mr. MOORE. I wish I could discuss this matter fully with my colleague from Texas [Mr. SLAYDEN], but I am obliged to observe the time. I want to say to the gentleman from Texas [Mr. DIES], resuming the thread of my argument, that if he knew more about the workers in the city, knew more of what it means not to have an adequate daily wage, he would think less of the alleged injustice that he credits up to the farmer and lodges up against the city man. I say this in all deference to the farmer's friend—for I respect the farmer as much as he does—but when the farmer's smokehouse is filled in the rigorous winter; when the snow falls and his silo is well packed with food for his cattle, the man in the city, dependent upon his daily wage, has nothing in his cellar when his work plays out. The gentleman from Texas and the gentleman from Georgia [Mr. HOWARD], who to-day inveighed against the Government printer, will be fair—and I will put the gentleman from Ohio [Mr. GORDON] in the same class, because he also arrayed himself against labor. When the mills and factories are closed, when the print shops shut down, and the workman no longer operates at a paying wage, he is not stocked up like the farmer; there is nothing in his cellar, his larder is bare, and starvation stares him in the face. The gentleman from Texas has too big a heart to continue this special line of argument. [Applause.]

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

Mr. BARNHART. Mr. Chairman, in the efforts of the committee to reach a reasonable wage scale, it has been governed, as I have stated, by official reports of organized labor. The figures I quoted are from the International Typographical Union's report of a recent national meeting. It remains for the gentleman from Missouri [Mr. GILL] to challenge my fairness in this matter, and I resent that. There is no unfairness on the part of the committee. We used the figures submitted to us by officials of labor unions and by the Department of Labor, which is presided over by a labor-union man. Those are the figures we used, and if there is any unfairness, the figures are not of our making, but of the men who arranged them, and they are all union men.

Mr. GILL. Mr. Speaker—

Mr. BARNHART. I can not yield to the gentleman.

Mr. GILL. I do not accuse the committee of unfairness, but it is unfair to use those figures.

Mr. BARNHART. If the gentleman did not mean to say we were unfair, I would be glad to have him correct that in the Record; but that is what he said. I want to say further, in reference to these pressmen, that there is some merit in what the gentleman from Illinois [Mr. BUCHANAN] says about the necessity of increasing the wages of these pressmen if you are going to increase the pay of the others, in order to keep them in harmony with the other wage scale. The fact of the matter is the pressmen had their wages increased, not as the gentleman from Illinois said, 12 years ago, but 2 years ago, and they had their wages increased from 50 to 55 cents. There are higher union wage scales in many cities of the United States, but that class of pressmen who receive the higher wages are the men who do the work on magazines and fancy illustrated and lithographic work and the higher class of engraving, none of which is done in the Government Printing Office. Therefore the committee decided that 55 cents an hour, being a higher wage than is paid generally throughout the United States, a higher wage by a good deal than is paid right here in the city of Washington under the union wage scale, where it is only 41.67 cents an hour, was making the scale high enough. There are 55 flat-bed presses in the Government Printing Office on which kind of presswork the average union wage is about 10 cents an hour lower than the other rate. I want to quote another wage scale, and that is in the gentleman's—Mr. Moore's—home city of Philadelphia. The pressmen in Philadelphia are paid 57.29 cents an hour, but that includes the Curtis Publishing Co. pressmen. I understand, and some others of the greatest magazines and illustrated publications in the world, and they do the highest class of work there that is done anywhere. The gentleman from Pennsylvania [Mr. MOORE] will agree with me upon that. Those men are paid 57.29 cents an hour, and we propose to pay the Government pressmen, who do not do as high class work as that, 55 cents an hour.

Mr. MOORE. Is it not true that the men who are employed in the Government Printing Office here are the pick of the craft?

Mr. BARNHART. I hardly think so, Mr. Chairman. A good many of the Republicans in the Government Printing Office are country newspaper men, like myself, who in years gone by were picked up by the Republican spoilsmen and brought to Washington and given jobs at about twice the wages they received at home, and they are here yet.

Mr. MOORE. The gentleman does not minimize his own skill and importance, does he?

Mr. BARNHART. Yes; somewhat.

Mr. MOORE. The gentleman would indicate that by his statement.

Mr. BARNHART. I want to keep in the ranks with the "prints."

Mr. MOORE. In all frankness, is it not true that the Government Printing Office force in Washington is made up of as fine a body of employees in their craft as are to be found in the United States?

Mr. BARNHART. If the gentleman from Philadelphia had been here when I made my opening statement, and again on last Wednesday, he would have heard me repeat it over and over again, that they are high-class gentlemen.

Mr. MOORE. The gentleman repeats it now, does he not?

Mr. BARNHART. Yes; right now.

Mr. MOORE. I think that is a sufficient answer to what the gentleman has said.

Mr. BARNHART. I think a good many of them came here under the political patronage of the Republican Party, and a Republican President spread a blanket order over them, putting them under the civil service, and they are here yet.

Mr. MOORE. They get over that very soon, as the gentleman knows.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. BARNHART. I want to say just one word in conclusion, and that is that the pressmen in the Government Printing Office ought to be good men, and they are, but the men in charge are now paid 60 cents an hour. The pressmen in charge get 60 cents an hour, and the men under the pressmen in charge are the ones to whom we are giving 55 cents an hour, which, I submit to you, is vastly more than the general average paid throughout the United States.

Mr. JOHNSON of Washington. I want to ask the gentleman if it is not just as hard to do the presswork on printing of the sort done in the Government Printing Office—clean, registered bookwork—as it is in an office which prints a high-class magazine? The only difference is locating or distributing the ink on pages carrying heavy illustrations.

Mr. BARNHART. If the gentleman from Washington is a printer, he knows that it requires a different class of skilled workmen on a highly illustrated magazine than it does to do the work on farmers' bulletins and other similar work issued from the Government Printing Office.

The CHAIRMAN. The time of the gentleman has expired. All time has expired. The question is on the amendment.

The question being taken, the Chairman announced that the ayes appeared to have it.

Mr. BARNHART. Division!

The committee divided; and there were—ayes 39, noes 33.

Mr. BARNHART. Tellers, Mr. Chairman.

Tellers were ordered, and the Chair appointed as tellers Mr. BARNHART and Mr. BUCHANAN of Illinois.

The committee again divided; and the tellers reported that there were 46 ayes and 32 noes.

Mr. HOWARD. Mr. Chairman, I make the point of order that no quorum is present.

The CHAIRMAN. The gentleman from Georgia makes the point that no quorum is present. The Chair will count. [After counting.] One hundred and two Members present—a quorum.

So the amendment was agreed to.

The Clerk read as follows:

SEC. 27. PAR. 1. The regular employees of the Government Printing Office, whether engaged on piecework or otherwise, except those receiving annual salaries fixed by law, shall be allowed leaves of absence with pay to the extent of not exceeding 30 days, exclusive of Sundays and legal holidays, for any one fiscal year, or a pro rata portion thereof during the year in which said leave is earned, under such regulations and at such times as the Public Printer may designate, and at the day rate of pay received by them at the time said leave is granted; but this shall not apply to probationary employees until after the expiration of the probationary period, when they may be granted pro rata leave of absence for the said period of service: *Provided*, That the Public Printer be, and is hereby, authorized to pay, out of the amount appropriated for the annual leave fund for the fiscal year ending June 30, 1914, and for every fiscal year thereafter, pro rata leave to the temporary employees of the Government Printing Office who have been employed for six months or more during any fiscal year: *Provided further*, That employees receiving annual salaries fixed by law may, in the discretion of the Public Printer, be allowed leave, not to exceed 30 days in any one fiscal year, exclusive of Sundays and legal holidays, at the rate of pay received by them at the time such leave is granted, and pro rata leave at the rate of pay received by them on the date of the



termination of their services shall be allowed only when necessary to make the total allowance for leave equal to 2½ days per month for the fractional part of the year. All leave granted to employees receiving annual salaries fixed by law shall be payable from the specific appropriation for their salaries. Employees engaged on piecework shall receive the same rate of pay for annual leave as is paid to per diem employees engaged on the same or a similar class of work. Pro rata leave with pay shall be allowed regular per annum, per diem, or per hour employees of the Government Printing Office, in any fiscal year, notwithstanding the fact that leave of absence with pay may have been granted to such employees in that fiscal year on account of services rendered in the preceding fiscal year. Leaves of absence shall not be allowed to accumulate from year to year, except as herein otherwise provided.

Mr. BARNHART. Mr. Chairman, I offer the following committee amendment.

The Clerk read as follows:

Page 22, line 4, after the first word "and," strike out the word "fourteen" and insert "fifteen."

The CHAIRMAN (Mr. JOHNSON of Kentucky). The question is on agreeing to the amendment.

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

Mr. JOHNSON of Washington. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 21, line 21, after the word "the," strike out the word "day."

Mr. JOHNSON of Washington. Mr. Chairman, this word would limit the leave of the men who work nights, and a man who has worked there for 12 years at night is a night man and entitled to leave pay.

Mr. KIESS of Pennsylvania. Mr. Chairman, just a word on this amendment. It does seem to me manifestly unfair to pay a man twice. In this case we are paying the printers 20 per cent increase for night work. I take it that 20 per cent is full compensation, and my own experience is that most of them want to get assigned to do night work. Now, this amendment proposes that after we have paid the printer 20 per cent increase for night work that we shall also pay him extra compensation during his vacation. In other words, he would be paid on the basis of \$4.80 a day during vacation instead of \$4 a day, if that happened to be his salary for day work, while the other men who only had day work would receive \$4 when they are away on a vacation. I contend that it would be unfair to the men working at the day rate of \$4 to allow these men 30 days' pay at \$4.80 per day.

Mr. BARNHART. Mr. Chairman, I ask that all debate on this amendment close in three minutes.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that all debate on this amendment close in three minutes.

Mr. JOHNSON of Washington. I would like to have two minutes.

Mr. BARNHART. I will modify my request and make it four minutes, the gentleman from Washington to have two minutes. I believe if the gentleman from Washington will permit me to make a statement in two minutes I would satisfy him and the entire House that this is a discrimination against the men who work in the daytime, that they must take less leave-of-absence pay, notwithstanding they want to do night work. I think if the gentleman from Washington understood it he would not insist on his amendment. I ask unanimous consent that all debate on this amendment now close in two minutes, the gentleman from Washington to have the two minutes.

Mr. JOHNSON of Washington. I do not want any further time.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 28. The Public Printer is hereby authorized to pay to the legal representative of any employee who may hereafter die any earned or accrued leave of absence due such employee at the time of his death, and said claims shall be paid out of any unexpended balances of appropriations for the payment of leaves of absence to the employees of the Government Printing Office for the fiscal year during which said death occurs or out of any future appropriations for leaves of absence.

Mr. BARNHART. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 23, line 16, after the word "of," strike out the words "any unexpended balances of."

The CHAIRMAN. The question is on agreeing to the amendment.

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

Mr. BARNHART. Mr. Chairman, I offer the following committee amendment.

The Clerk read as follows:

Page 23, lines 19 and 20, after the word "occurs," strike out the words "or out of any future appropriation for leaves of absence."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The question was taken, and the committee amendment was agreed to.

The Clerk read as follows:

SEC. 29. The employees of the Government Printing Office shall be allowed the following legal holidays with pay, to wit: The 1st day of January, the 22d day of February, the 4th day of July, the 25th day of December, Inauguration Day, Memorial Day, Labor's Holiday, and such day as may be designated by the President of the United States as a day of public fast or thanksgiving, and such other days as the Government Printing Office may be closed by Executive order; and such holidays shall be allowed with pay regardless of whether said employees are on duty the day preceding or the day following the holiday: *Provided*, That employees of the Government Printing Office who are required to work on a holiday shall receive for such services double their regular rate of compensation, and no more. This provision shall not be construed as depriving employees of additional compensation for Sunday and night work as provided in this act; but in computing the compensation of employees engaged on night work, a holiday or Sunday shall be construed as continuing until 8 o'clock a. m. of the following day.

Mr. MANN. Mr. Chairman, I move to strike out the last word. I would like to ask the gentleman from Illinois [Mr. BUCHANAN] if Labor Day is called "Labor's Holiday"?

Mr. BUCHANAN of Illinois. I have always heard it called "Labor Day."

Mr. BARNHART. This is a reenactment of the existing law, and is the language used in the law.

Mr. MANN. I think that was the term in the beginning, when it was uncertain. I think I would use the term "Labor Day," if that is what it is usually called.

Mr. BARNHART. Mr. Chairman, I move to amend, in line 25, page 23, by changing the words "Labor's Holiday" to "Labor Day."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana.

The amendment was agreed to.

The Clerk read as follows:

SEC. 32. The Public Printer shall prepare and submit to the Secretary of the Treasury on or before the 15th day of October of each year detailed estimates of the sums which will be required for salaries, wages, printing, binding, engraving, lithographing, machinery, equipment, material, supplies, and all other necessary expenses for the conduct of the affairs of the Government Printing Office for the ensuing fiscal year: *Provided*, That the Public Printer shall include and specify in his estimates all clerks and other employees required in the executive or administrative work of the Government Printing Office, and no funds other than those specifically appropriated under said estimates shall be used for services in the Government Printing Office of the character specified in said estimates and appropriated for thereunder, except in cases of emergency arising after the passage of this act, and then only on the written order of the Public Printer, approved by the Joint Committee on Printing; and the salaries or other expenses thus paid in addition to those specifically appropriated for shall be reported to Congress each year in connection with the annual estimates: *Provided further*, That each executive department, independent office, and establishment of the Government shall furnish the Public Printer not later than the 1st day of October in each year, with an estimate of the amount of printing and binding required to be done at the Government Printing Office during the ensuing fiscal year, which estimates shall be submitted by the Public Printer to the Secretary of the Treasury to be included in the regular annual estimates to Congress as a part of the estimates for public printing and binding: *Provided further*, That, except the appropriation for salaries, stores, and general expenses in and for the office of the superintendent of documents, all appropriations under the public printing and binding shall be considered in apportioning the allotments for printing and binding for Congress and the several allottees.

Mr. MANN. Mr. Chairman, I move to strike out the last word. I do not recall whether the language in lines 17 and 18 on page 25 is in the existing law:

And no funds other than those specifically appropriated under said estimates shall be used for services in the Government Printing Office.

The term "under said estimates" has no place in the law.

Mr. BARNHART. That is existing law, except as to the date.

Mr. MANN. I see that is the language of the existing law. It is improper language, but I do not know that I care to offer to amend it.

The Clerk read as follows:

SEC. 33. All printing offices and binderies in the executive departments, independent offices, and establishments of the Government in Washington, D. C., except the printing office necessary to the work of the Weather Bureau, shall be considered a part of the Government Printing Office and shall be under the control of the Public Printer, who shall furnish all necessary machinery, equipment, materials, and supplies for said offices from the general supplies of the Government Printing Office, and all paper and materials of every kind used in said offices shall be supplied by the Public Printer; and all persons employed in said printing offices and binderies shall be appointed by and be responsible to the Public Printer and carried on the pay rolls of the Government Printing Office, the same as employees in the main office: *Provided*, That the terms of this act shall not apply to the binding of registered bonds and written records at the Treasury Department, as now provided for: *Provided further*, That the Public Printer may, with the approval of the Joint Committee on Printing, abolish any of said printing offices and binderies whenever the economy of the public service would be thereby advanced.

Mr. MANN. Mr. Chairman, I move to strike out the last word. Is there any doubt that the Bureau of Printing and Engraving is not included in this section?

Mr. BARNHART. Mr. Chairman, I would say in reply that it is existing law, and can not be construed as including the Bureau of Printing and Engraving.

Mr. MANN. Is the language changed here from the existing law?

Mr. BARNHART. No; only in so far as there is a provision that the joint committee may abolish any of these offices that are considered to be unnecessary and more expensive than if the work they do were done in the Government Printing Office. The Bureau of Printing and Engraving is a part of the Treasury Department and not a part of the Government Printing Office at all. It is not a printing office; it is an engraving office.

Mr. MANN. It is not a printing office; but I suppose they do some binding and probably some printing there. I know they have in the past.

Mr. BARNHART. It is not a printing office in the sense that a printing office is usually designated.

Mr. MANN. They have made an effort to abolish some of these printing offices in some of the departments, as I recall. I believe that has not been entirely successful. Is that the reason for the proviso?

Mr. BARNHART. The reason for the proviso is that it may enable the Joint Committee on Printing, when it finds that one of these branch printing offices is not necessary, when the work being done therein can be more efficiently and economically done in the Government Printing Office proper, to provide that the Government Printer, who furnishes these printers anyway, can abolish that office in its separate location and do the work in the Government Printing Office.

Mr. MANN. Does not the Government Printer have that authority now? These offices are now branches of the Government Printing Office. He has that authority now, but has not this been the practice in the past, that the Public Printer proposes to abolish a printing office in one of the departments and Congress makes an appropriation for its continuation, so that practically it is not possible to abolish them?

Mr. BARNHART. Yes; but three of them have been abolished in the last four or five years.

Mr. MANN. How many are there now?

Mr. BARNHART. There are but two—one in the Public Library and one in the State, War, and Navy Building—and this latter will most likely be continued, because of the necessary secrecy of much of the work that is done in that office. The Weather Bureau has a small plant also.

Mr. WEBB. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record. I desire to make a political speech.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to extend his remarks in the Record. Is there objection?

There was no objection.

The Clerk read as follows:

SEC. 35. If the Public Printer shall, by himself or through or with others, corruptly collude or have any secret understanding with any person or persons to defraud the United States, or whereby the United States shall be made to sustain a loss, or whereby he shall receive a benefit or profit, directly or indirectly, he shall, on conviction thereof before any court of competent jurisdiction, forfeit his office and be imprisoned in the penitentiary for a term not exceeding seven years and fined in a sum not exceeding \$3,000.

Mr. BARNHART. Mr. Chairman, I offer the following committee amendment to section 35.

The Clerk read as follows:

Page 28, lines 8 and 9, after the word "penitentiary," strike out the words "for a term not exceeding," and insert in lieu thereof the words "not more than."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BARNHART. I also offer the following amendment.

The Clerk read as follows:

Page 28, line 9, after the word "fined," strike out "in a sum not exceeding," and insert in lieu thereof the words "not more than."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 36. Neither the Public Printer, the superintendent of documents, nor any person holding a position provided for in sections 3 and 11 to 18, inclusive, of this act, nor any assistant to such person, shall, while so employed, have any interest, direct or indirect, in the publication of any newspaper or periodical, or in any printing, binding, engraving, or lithographing of any kind, or in any contract for furnishing paper, machinery, equipment, or supplies, used in connection with the public printing and binding, lithographing, or engraving; and for every violation of this section the person offending shall, on conviction before any court of competent jurisdiction, be imprisoned in the penitentiary for a term of not less than one nor more than five years and shall be fined not exceeding \$1,000.

Mr. BARNHART. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 28, line 23, after the word "not," strike out the word "exceeding" and insert the words "more than."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MANN. Mr. Chairman, I think there is another amendment there that the gentleman ought to make, and that is to strike out, in line 22, the words "less than one nor," so that it would read "for a term of not more than five years." That conforms to the amendment which has already been made. We do not put in the minimum penalty any more.

Mr. BARNHART. Mr. Chairman, I offer that as an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 28, line 22, strike out the words "less than one nor."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 38. The Public Printer shall furnish such printing and binding to the President of the United States as he shall order and make requisition for.

Mr. MANN. Mr. Chairman, I move to strike out the last word. Does the Public Printer keep a record of the expense of the President's printing?

Mr. BARNHART. I think he does, as a matter of course, because he is required to keep all expenses of the operation of his office.

Mr. MANN. What I wish to ask is whether the gentleman has any item in recent years as to what that expense was?

Mr. BARNHART. I can not say that I have, because I have not looked it up.

The Clerk read as follows:

SEC. 39. The forms and style in which the printing and binding ordered by any executive department, independent office, or establishment of the Government shall be executed and the paper, material, and size of type to be used shall be determined by the Public Printer, except as otherwise provided in this act, having proper regard for uniformity, economy, workmanship, and the purposes for which the work is needed: *Provided*, That the Public Printer shall consult the chiefs of the publications divisions, as provided for in section 81 of this act, and the printing clerks of both Houses of Congress in the preparation of rules governing the forms and style of printing and binding at the Government Printing Office, which rules shall be subject to the approval of the Joint Committee on Printing.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. I wish to inquire of the chairman whether any provision has been made in this codification for superseding the present practice of the Postmaster General in supervising the printing of the penalty envelopes for the various departments? I recall that several years ago in a codification bill of the postal laws that I had charge of my attention was called to special authority whereby the Postmaster General supervised the printing of all of the penalty envelopes for the respective departments, and I am wondering whether there had been any provision made in this bill to supersede that practice.

Mr. BARNHART. Mr. Chairman, I would answer that by saying that the bill as drawn, I think in section 85, the last section but one in the bill, makes some provision, to which the committee has some amendments which it wishes to offer. This bill was drawn in conformity with the existing law as enacted through the Post Office Committee. It has been in existence for several years, I will say to the gentleman from Wisconsin, and I recall with a great deal of regret that twice since I have been a Member of this House I have attempted to help change the law which enables the Postmaster General to order printing on the outside, and to either give it to the Government Printing Office or abolish it altogether, so that the printers throughout the country may have the privilege of doing this printing.

When this section is reached the committee will offer an amendment providing that this printing which the Post Office Department is now peddling about over the country to the cheapest bidder, without regard, it is charged, to what sort of employers they are, that it shall all be done hereafter in the Government Printing Office. I trust that is satisfactory to the gentleman, and when we come to that we can further consider it.

Mr. STAFFORD. Just one other inquiry. Does the gentleman refer to printing that the Postmaster General advertises for throughout the country, other than the embossed stamped envelopes, about which there has been a contest on the floor from time to time?



Mr. BARNHART. He awards a four-year contract under existing law.

Mr. STAFFORD. I am quite well acquainted with the practice of the department, so far as the embossed stamped envelopes are concerned, but my attention has never been called to the practice of the Postmaster General peddling contracts to private printers throughout the country for the printing of the penalty envelopes to be used by the department heads. I was directing my inquiry exclusively to the provision for printing the penalty envelopes for the use of the departments themselves.

Mr. BARNHART. The gentleman gives me some information that the committee has not heretofore had.

Mr. STAFFORD. Well, my purpose in rising was to furnish that to the committee, and I was quite surprised when it was first called to my attention some six or eight years ago to find that the Postmaster General should have some supervisory power over the printing of penalty envelopes for the respective departments. I directed my inquiry especially to that and not to embossed envelopes. Of the latter I am fully aware, and I will be glad to give the gentleman an opportunity to show the province of the Postmaster General for passing on the printing of penalty envelopes for use of the respective departments.

Mr. BARNHART. I would say to the gentleman if he has any authority of law it has been given to him in his own appropriation bill by the Appropriations Committee—no; I think the Committee on the Post Office and Post Roads. It is a new matter with me and I would be glad to take it up when the time comes and correct it if possible.

The CHAIRMAN. The time of the gentleman has expired.

Mr. J. M. C. SMITH. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 29, line 19, after the word "except," insert the following:

"Patented articles when the official ordering shall certify that economy, uniformity, and efficiency require the same or."

Mr. J. M. C. SMITH. Mr. Chairman, I would say that the purpose of this amendment is along the line that has already been marked out by the chairman. It is to take away the arbitrary power of the Public Printer in determining what articles shall be procured or furnished to the heads of the departments or Cabinet officers. The amendment reads "patented articles," which it might be said they could not furnish, make, or supply. Patented articles he would be obliged to secure in some other way, they being protected by the patent, but in the presentation of this bill by the learned chairman he gave an illustration of the arbitrary power that the Public Printer had and how he had abused his discretion and the authority he had under the present law. For instance, in one case, it is said, the Public Printer at one time spent \$1,621,423.15 for machinery alone, without being accountable to anyone, and at another time he spent \$138,110 on an auditing system in less than two years, which was thrown out; and at another time he spent \$20,000 for brass-finished mahogany furniture on his own volition. Now, it occurs to me, if we pass a bill to standardize the work of the Public Printer or that done by the Printing Office that the Public Printer would not be as suitable a person to determine what should be furnished as the heads of the departments themselves. Now, for instance, we have a system of accounting in the Treasury Department, which has been in vogue a good many years. How could the Public Printer determine what sort of ledger books or what books of accounts should be supplied to that department as compared with the head of the department himself. All this amendment seeks to do is to give the various heads of the departments the right to determine what particular supplies, books, ledgers, and so forth, they will use, according to the needs of the work in their own department.

Mr. STAFFORD. Will the gentleman yield?

Mr. J. M. C. SMITH. Yes.

Mr. STAFFORD. Does not the gentleman believe he should have offered his amendment to section 37, which we have just passed, which covers the proposition which the gentleman has in mind? That section provides for the procurement for the executive departments of supplies, including blank books, and as the law originally existed it authorized them to purchase patented devices. That has been left out in the revision. This paragraph simply provides for the forms and styles of printing to be determined by the Public Printer.

Mr. J. M. C. SMITH. I would say that the provisions of both sections are included, and this being the last one it was thought proper to introduce an amendment at this place, and being the last section it would generally apply to both of them whereas if it was introduced in the first section it might not

apply to the last section. The reasons for the amendment might be stated tersely by saying that the discretion for supplies now exercised by the executive departments ought not to be transferred to the Public Printer. And, second, it would avoid controversies between the departments and the Public Printer as to the department needs for patented articles.

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

The CHAIRMAN. Does the gentleman from Michigan yield to the gentleman from Indiana?

Mr. J. M. C. SMITH. Certainly.

Mr. CLINE. I would like to inquire of the gentleman whether this amendment would cover the provisions of section 37?

Mr. J. M. C. SMITH. It would cover both of them. It is supposed that the last one would be the most proper, because where a provision is incorporated in or covers two sections the last would control. That was the thought.

Second, as I say, it would avoid controversies between the departments and the Public Printer as to what the departments need for their use. Third, it would permit a continuation of the uniform system of filing and loose-leaf devices in each of the several departments, in accordance with each of their peculiar requirements. Fourth, it would secure to the Government those devices which are the most conducive to efficiency, economy, and uniformity. Fifth, that the filing systems in all of the departments may not be disrupted by the fancy of one man, who is not a part of any of them and who is not as proper a person to judge of their requirements as the persons who have the systems to standardize. By the bill patented devices of this class are to be charged against the departments' allotments of the appropriation for public printing and binding, and the departments are more interested than the Public Printer in conserving the allotments, and they would therefore be less likely to make unnecessary purchases or extravagant purchases.

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

Mr. BARNHART. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in eight minutes, of which the gentleman from Wisconsin [Mr. STAFFORD] will use five, and myself three.

Mr. CLINE. Reserving the right to object, I would like to have two or three minutes on this to make some inquiries. That is all.

Mr. BARNHART. Then, Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 11 minutes, 5 to be used by the gentleman from Wisconsin, 3 by the gentleman from Indiana [Mr. CLINE], and 3 by myself.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

The CHAIRMAN. The gentleman from Wisconsin [Mr. STAFFORD] is recognized for five minutes.

Mr. STAFFORD. Mr. Chairman, I question whether it is good policy for the committee to take away authority from the department heads and try to provide for a uniform standardization of blank books to be furnished to all the departments and to every Government establishment throughout the country. I think instead of it leading to economy it will just have the opposite effect, so far as the establishments throughout the country are concerned, and lead to excess expenditure.

The best practice I know of prevails in certain Government establishments or branch offices located throughout the country. When they have need for stationery supplies, blank books, filing devices, and the like they advertise for those supplies. But here in section 37 you are forcing the departments to send to Washington for every conceivable kind of blank book, loose-leaf ledger, or any kind of device whatsoever. We all know that small blank books—

Mr. BARNHART. I call the gentleman's attention to the fact that blank books are not included. It is patented articles that this section refers to.

Mr. STAFFORD. I am directing my remarks to section 37, whereby you take away the authority from the department heads to purchase any supplies in the open market. So far as blank books are concerned, they have all to be manufactured into standard form in the Government Printing Office. I think the gentleman is going too far when he advocates that.

Mr. BARNHART. That is existing law. It has worked admirably for years. There is no objection on the part of the departments or anybody else, except the manufacturers of patented articles.

Mr. STAFFORD. It is not in existing law, because in existing law you provide for the purchase of patented devices upon which you file money-order papers or other official papers. You provide that everything to be used in the nature of paper and



blank books must be manufactured in the Government Printing Office, and then dispatched by the Postal Service, which is an expensive means of transportation, rather than by freight, to the various establishments and branches throughout the country. There will be delay occasioned by it. Greater supplies for a reserve stock will be necessary in the various establishments. I question whether any large business corporation which has branches throughout the country would require that these supplies should be ordered and purchased from only one central situation. On the contrary, they would vest in their subordinate heads the power to purchase by contract in the open market what supplies the branch would need. Of course, if there is some standard device or loose-leaf ledger or blank book that could be utilized by the service throughout the country, it might be advisable to have that manufactured by the Government Printing Office for use throughout the country. But for the Government Printer to exercise the autocratic determination—

Mr. BARNHART. He does not—

Mr. STAFFORD. As to the character of books to be used for the departments, I say you are going too far in the extreme in curtailing the individual initiative of the respective department heads.

Mr. CLINE. Mr. Chairman, I want to call the attention of the committee to section 37. It is alleged that this amendment covers section 37. That section gives the Public Printer absolute authority to determine—

upon the requisition of the head of any executive department, independent office, or establishment of the Government, complete manifold blanks, books, and forms required in duplicating processes; complete binding devices for filing uniform official papers; loose-leaf books of every description; index, catalogue, and file cards, and shipping tags; and other similar forms of printing and binding, which may include patented articles when the needs of the service require the same; and to charge the cost thereof to the allotment of appropriation for printing and binding of the executive department, independent office, or establishment of the Government ordering the same.

Now, I understand the theory of this bill to be to restrict and supervise the Public Printer in the use of public moneys for the printing business, and to that end the Printing Committee has seen fit to take charge of the expenditure of large sums of money that are received by the Public Printer in the course of his business. My understanding, Mr. Chairman, is that under this one section, section 37, the Public Printer has the right autocratically to select loose leaves for book purposes and patented devices for binding, and that the amount in value of these loose-leaf books and patented devices used by the several departments of the Government equals several hundred thousand dollars a year in all the departments. I would like to inquire of the chairman of the committee whether it is not the policy of the committee to retain some control and some discretion on the part of the Printing Committee over the expenditure of such a large amount of money as that?

Mr. BARNHART. Mr. Chairman, if my colleague will read section 5, he will find that the Government is absolutely safeguarded in this respect by the provision that the Public Printer can not purchase any item in excess of \$300 without the approval of the Joint Committee on Printing, and that the provisions of these contracts will be the same as other contracts. These patented articles must be advertised for and the contract let at a public letting, and it must be done with the approval of the Joint Committee on Printing, and not, as it has been done in the past, by a department head buying anything and everything he wants.

Mr. CLINE. That is satisfactory to me. If the Committee on Printing actually has some hand in deciding what money shall be expended and what it shall be expended for, that is satisfactory to me. I understand that because of the fact that there have been no restrictions over the Public Printer we have been having a new Public Printer about every year in the last eight years.

Mr. HOWARD. Will the gentleman yield?

Mr. CLINE. Yes.

Mr. HOWARD. As I understand the purport of this particular section, the heads of departments heretofore have been selecting a diversity of patented articles. One department may have one and another department another. Now, there is a provision in this bill which makes it incumbent upon the Public Printer to select these articles and then submit his selections to this committee, which gives the committee absolute control, instead of the heads of the departments.

Mr. CLINE. I hope that is true. The whole machinery of the Government, so far as loose leaves and patent bindings, and so forth, are concerned, ought to tend to uniformity; and if the Government is properly safeguarded by the supervision of the Printing Committee, of course I have no objection to the text of the section.

Mr. BARNHART. Mr. Chairman, the remarks of the gentleman from Michigan [Mr. J. M. C. SMITH] are timely and to the point from his viewpoint of the case, and it may be said that there is probably some argument on that side of the question; but the argument mostly comes from outside interests. I would say on behalf of the committee that this matter was submitted to the heads of departments, and there was no protest from the head of any department to the joint committee against the proposition of the joint committee and the Public Printer exercising control over the letting of contracts for patented articles. As the law now stands agents for patented articles can go selling from department to department. They may sell to the head of one department something that the head of another department would not purchase, and in the end we would have no uniformity at all. The purpose is that henceforth the Public Printer shall advertise for bids on these patented articles, as required in section 5, and then he and the Joint Committee on Printing will arrange satisfactorily with the heads of departments. These matters will be submitted to these experts, and we will accept bids on these patented articles, and they will be bought en bloc and not piecemeal, as now, and in the end the Public Printer will not only be authorized but directed to do all the printing he possibly can. And I want to say in this connection that the suggestion of the gentleman from Wisconsin that it might lead to long shipments is really far-fetched, because the insular or territorial departments all have their established printing plants. They are independent of the Government Printing Office very largely, and this would not affect them in any way, but it would enable the Public Printer and the Joint Committee on Printing to supervise and oversee the purchase of these patented articles, so that there may be uniformity, and they will be purchased in large quantities for all the departments, which will make their requisition on the Public Printer. In that way there will be a very great saving, and it will establish uniformity in all the departments, but will not in any way interfere with any loose-leaf patents or any manufacturers of patented articles who may want to come in and compete for these contracts in large lots.

Mr. J. M. C. SMITH. Is it not true that by section 37, and again by section 39, the Public Printer has the arbitrary power to procure and supply these goods?

Mr. BARNHART. I will answer that question by referring the gentleman to the answer I gave to my colleague. The Public Printer can not make any purchases in excess of \$300—and they must be emergency purchases—without advertising for the same, and he must report these purchases, and have the approval of the joint committee, in order to make them legal.

Mr. STAFFORD. Will the gentleman permit me?

Mr. BARNHART. Yes; I yield.

Mr. STAFFORD. Are you not making the Public Printer the autocrat of all the departments, so far as these supplies are concerned?

Mr. BARNHART. Oh, no.

Mr. STAFFORD. Why not?

Mr. BARNHART. In section 39, which we have not yet reached, there is a provision that—

The Public Printer shall consult the chiefs of the publications divisions, as provided for in section 81 of this act, and the printing clerks of both Houses of Congress in the preparation of rules governing the forms and style of printing and binding at the Government Printing Office, which rules shall be subject to the approval of the Joint Committee on Printing.

Mr. J. M. C. SMITH. That is only as to the rules.

Mr. STAFFORD. That is only as to the style and forms.

Mr. BARNHART. A loose-leaf binder is a form of binding.

Mr. STAFFORD. Will the gentleman yield?

Mr. BARNHART. I yield.

Mr. STAFFORD. What the gentleman has read refers solely to the style of the printing. It has nothing to do with the character of the supplies. You are making the Public Printer the autocrat of all the departments, so far as their blank books and printed supplies are concerned.

Mr. BARNHART. I want to call the gentleman's attention to the fact that in line 1, page 30, reference is made to the—

Rules governing the forms and style of printing and binding.

And these patented articles have very largely to do, or almost exclusively to do, with bound work.

Mr. STAFFORD. But if the gentleman will permit, the clause which the gentleman read says that the Public Printer shall consult the chiefs of the publications divisions. Now, in section 37 you have given absolute authority to the Public Printer to determine the character of the supplies to be used by the Government departments.

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment of the gentleman from Michigan [Mr. J. M. C. SMITH].



The question being taken, the Chairman announced that the noes appeared to have it.

Mr. J. M. C. SMITH. I ask for a division.

The committee divided; and there were—ayes 10, noes 24.

Accordingly the amendment was rejected.

The Clerk read as follows:

SEC. 41. PAR. 1. The Public Printer shall, on the first day of each regular session, submit to Congress a report covering the operations of the Government Printing Office for the preceding fiscal year, showing all available appropriations and the condition thereof, the receipts and credits from all sources, and the total charges for work executed, together with a statement of the allotments of the appropriations for the public printing and binding, transfers to the credit thereof, special appropriations, and the charges thereunder, and such other information touching matters connected with the Government Printing Office as may be required by the Joint Committee on Printing.

Mr. FITZGERALD. Mr. Chairman, I move to strike out the last word. I wish to inquire of the chairman of the committee as to the words in lines 20 and 21, "transfers to the credit thereof," whether that has reference to the payments on account of repay work.

Mr. BARNHART. Yes; it does.

Mr. FITZGERALD. Then they should be stricken out. Mr. Chairman, I move to strike out of lines 20 and 21, on page 30, the words "transfers to the credit thereof."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Strike out of lines 20 and 21, on page 30, the words "transfers to the credit thereof."

The amendment was agreed to.

The Clerk read as follows:

SEC. 41. PAR. 3. The report shall also contain a classified statement of purchases for maintenance, equipment, operation, material other than paper entering into the product of the office, and supplies, and a classified statement of expenditures for miscellaneous purposes, distinguishing the purchases and expenditures under annual contracts from those otherwise made; a statement of the cost of all lithographing, engraving, or other illustrations, showing in each instance whether procured by contract or otherwise; a classified statement of the disbursements on account of wages and salaries and a statement of the principal classes of officers and employees, showing the number of persons of each class employed on the last working day in September, December, March, and June, respectively. All statements of purchases or expenditures shall show the appropriation to which they are chargeable.

Mr. CLINE. Mr. Chairman, I move to strike out the last word for the purpose of making an inquiry. I understand that section 5 is to be termed a blanket section, to apply to all purchases of material and machinery and to all purchases wherever the amount to be laid out for materials of any character is in excess of \$300.

Mr. BARNHART. It provides for contracts for annual supplies other than paper.

Mr. CLINE. I am referring to section 5, the general authority that the Committee on Printing vests in itself to supervise all purchases made by the Public Printer of material or anything else. That is intended to apply to all contracts in excess of \$300.

Mr. BARNHART. It does apply to all contracts.

The Clerk read as follows:

SEC. 41. PAR. 4. The Public Printer shall report, by title, the number of copies, the number of pages, and the principal items of cost of each publication printed upon requisition of the head of any executive or judicial department, independent office, or establishment of the Government, or upon requisition of the superintendent of documents, and shall submit a summarized statement, classified as to standards of size, showing the total number of pages printed, the total number of volumes bound, the styles of binding, and the totals of the principal items of cost: a classified statement, arranged by executive and judicial departments, independent offices, and establishments of the Government, showing the printing and binding executed other than that of publications, including penalty envelopes, and the totals of the principal items of cost thereof. The Public Printer shall also submit a like statement of the printing and binding done for Congress, and a statement, by title and number of volumes, of the binding done for the Vice President, Senators, Representatives, Delegates, Resident Commissioners, and officers of Congress, and the total cost thereof: *Provided*, That all publications not exceeding 100 pages, or included in miscellaneous bound volumes, may, under the direction of the Joint Committee on Printing, be stated collectively in their respective classes without titles.

Mr. BARNHART. Mr. Chairman, I offer two committee amendments.

The Clerk read as follows:

Page 32, line 2, after the word "executive," strike out the words "or judicial."

The amendment was agreed to.

The Clerk read as follows:

On page 32, line 9, after the word "executive," strike out the words "and judicial."

Mr. MANN. Mr. Chairman, I would like to ask the gentleman from Indiana, why are these words stricken out?

Mr. BARNHART. I will say to the gentleman that it is considered and really provided that the judicial department comes under what is commonly known as the establishments of the Government. There is really no judicial department for this

classification; it comes under what is called in the bill and generally known as establishments of the Government.

Mr. MANN. The Department of Justice?

Mr. BARNHART. The Department of Justice is an executive department. There is a difference between an executive department and a judicial department.

Mr. MANN. What is a judicial department?

Mr. BARNHART. The Supreme Court of the United States is one.

Mr. MANN. They do their own printing confidentially. The Public Printer does not have anything to do with it.

Mr. BARNHART. The Supreme Court can go to the Public Printer if it chooses. The Public Printer puts the printing in his estimate. This provision would virtually compel them to go there for their printing and have their printing done at the Government Printing Office.

Mr. MANN. What would?

Mr. BARNHART. The provisions in the bill.

Mr. MANN. I do not know whether it would or not. We usually carry a provision in the appropriation law permitting the Supreme Court to have its printing done outside.

Mr. BARNHART. If the appropriation bill should carry a provision repealing this, of course it could; but the purpose of this was to provide that the Supreme Court should go to the Public Printing Office for its printing. There is no reason why there could not be as much secrecy maintained in the Government Printing Office as in any outside office.

Mr. MANN. The Supreme Court once discovered that it could not be and have not tried it since, and we all know that it could not be.

Mr. BARNHART. Oh, they had it done in the Government Printing Office for 60 years and were perfectly satisfied with it; and then a mistake or abuse happened, and the same thing might occur on the outside at any time.

Mr. MANN. It might, but it has not. I suppose they have some one person that they rely upon. This is not intended in any way to change that status?

Mr. BARNHART. No; it makes it optional with the Supreme Court whether it will go to the Government Printer or not. This amendment does not affect that in the least.

Mr. MANN. Does the gentleman say that the Supreme Court is an establishment of the Government?

Mr. BARNHART. It is considered one of the establishments of the Government. It is not an executive department.

Mr. MANN. I do not think it is an establishment of the Government, either.

Mr. BARNHART. I will say that the chairman of the Committee on Printing is not a lawyer.

Mr. MANN. Then he ought to be able to express a clear opinion on questions of this kind. Lawyers always disagree as to the construction of a law.

Mr. BARNHART. If the chairman has not made himself distinct and clear, it is his misfortune and not his fault.

Mr. MANN. I think the gentleman has been unusually clear in the House.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. GREEN of Iowa. Mr. Chairman, I move to strike out the last word. I am reliably informed that one cause of the large expense at the Printing Office is the fact that many heads of departments or department officials in preparing documents for printing fail to make up the copy they really want to have printed at the time it is sent down to the Printing Office, and that as a result the additions and corrections are such as to require an almost entire resetting of the type, in some cases making the cost practically as much in resetting and altering as the first cost of composition. In that connection I would like to ask the chairman of the committee if there is any way under the provisions of this section or any other section of the bill whereby a Member of Congress could find out how much it had actually cost per page to prepare these documents?

Mr. BARNHART. That can be readily ascertained by asking the Public Printer.

Mr. GREEN of Iowa. He is not required under this section to make any report as to such matters?

Mr. BARNHART. Oh, yes; there is a general requirement that he make a report of all of his transactions. Section 81, paragraph 2, really covers this and answers the inquiry of the gentleman from Iowa. I would call the gentleman's attention to the fact that in the report of the Public Printer for 1913, on page 113, he will find an itemized statement of all expenditures of his office, printing done and the amount and cost of it, and so forth.

Mr. GREEN of Iowa. I understood that.

Mr. BARNHART. That is required by law, and the enactment of this bill will simply reenact that law.

Mr. GREEN of Iowa. Suppose it was desired to find the cost of printing some particular document, a departmental report, for example, would there be any way of finding out how much that would cost per page?

Mr. BARNHART. I think so, by inquiry of the Public Printer.

Mr. GREEN of Iowa. And that would be the only way?

Mr. MANN. The cost per page is a fixed amount as an ordinary thing.

Mr. BARNHART. I read from section 41, paragraph 4:

SEC. 41. PAR. 4. The Public Printer shall report, by title, the number of copies, the number of pages, and the principal items of cost of each publication printed upon requisition of the head of any executive or judicial department, independent office, or establishment of the Government.

Mr. GREEN of Iowa. I do not know what is meant by the "principal items of cost." Probably the gentleman, being a printer, would understand that better than I would, whether that would require such a statement as I was referring to. But the cost per page is not uniform, for the reason that some of the department heads or officials who send documents there send the copy just as they want it printed, and others revise it so as to make practically a new document before they get through with it, and hence in some cases, as I have said, it nearly doubles the cost of composition.

Mr. BARNHART. In the Public Printer's annual report he reports the number of pages, the alterations and corrections, the electrotyping and stereotyping, the presswork, the binding, the illustration, and the paper of all work done.

Mr. GREEN of Iowa. Are the alterations and the corrections specified for each document or simply in a general way?

Mr. BARNHART. They are not now, but they will be under this bill.

Mr. GREEN of Iowa. That is what I wanted to know.

Mr. MANN. Mr. Chairman, I move to strike out the last two words. This provision in reference to a statement by title and number of volumes of binding done for the Vice President, Senators, Representatives, and so forth, and the total cost thereof means that there will be a report as to each Member?

Mr. BARNHART. Not as to each Member, and yet it can be done. It will be open to the public—that is, it will be open to the Members of Congress at least, or any one concerned—because it would be itemized.

Mr. MANN. In other parts of the bill it is endeavored to ascertain how much work is done for each Member of Congress in the way of printing envelopes and various things of that sort, and I inquired to know whether the purpose here is to know how much printing and binding is done for each Member of Congress.

Mr. BARNHART. I would say to the gentleman that under this general proviso I think the committee might require it, if it were inclined to feel that there had been abuses.

Mr. MANN. I was trying to get at whether that was the idea—to have a separate report or just a total amount?

Mr. BARNHART. The total amount, just the same as it is now, so far as that is concerned, but there will be a different provision as to the printing of envelopes.

The Clerk read as follows:

SEC. 41. PAR. 5. The Public Printer shall show in his annual report, by the principal items of cost, the expense of operating each branch printing office under his control, and the charges for work performed therein, computed upon the schedule of charges in force in the Government Printing Office; he shall also include a statement of the cost of operation and administration of the office of the superintendent of documents, and, in addition thereto, shall transmit with such report the annual report of the superintendent of documents.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. Will the chairman inform the House as to the number of branch printing establishments at the present time in existence. I recall during the past 12 years efforts have been made to discontinue these branch establishments that formerly were connected with each department.

Mr. BARNHART. There are three in reality. The State, War, and Navy Departments have a printing department, which the committee feels justified in saying ought to be continued. The Congressional Library has a printing department, and the Weather Bureau has a little printing department for immediate use.

Mr. STAFFORD. Has the printing office connected with the Agricultural Department been entirely eliminated?

Mr. BARNHART. Yes.

Mr. STAFFORD. Merged with the general Printing Office?

Mr. BARNHART. Yes.

Mr. STAFFORD. What is the need of having a separate printing branch at the State, War, and Navy Building?

Mr. BARNHART. In order that the printing may be done with that secrecy which is sometimes necessary.

Mr. STAFFORD. It would be of more value connected with the State Department than with the War and Navy Departments.

Mr. BARNHART. Yes; but many times the orders of the War and Navy Departments must be issued within an hour or two, and this gives them immediate action; and the committee feels it is really important that that printing branch be continued. It is the only department that has made the request for it, and they have given ample and, we think, convincing reasons as to why it should be so.

The Clerk read as follows:

SEC. 41. PAR. 6. The Public Printer shall also include in his annual report a statement of all printing and binding for each executive and judicial department, independent office, and establishment of the Government by private contractors, as shown by the bills required to be furnished him under section 78 of this act.

Mr. BARNHART. Mr. Chairman, I offer the following committee amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 33, line 9, after the word "executive," strike out the words "and judicial."

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

Mr. CLINE. Mr. Chairman, paragraph 6 of section 41 says that the Public Printer shall also include in his annual report, among other things, any independent office and establishment of the Government by private contractors, as shown by the bills required to be furnished him, and so forth. How does the Public Printer come to be connected with the work to be done by private contractors to the General Government? Does this mean that the contract has to go through the Public Printer's hands, or how is he required to be connected with it?

Mr. BARNHART. That is where these departments have independent authorizations of law, but this is done for the purpose of providing the Public Printer with the information so that he may make report of all the printing done for the Government in a compact and comprehensible form.

Mr. CLINE. He would not have the information from which to make the report without authority to call upon the parties who secured the private printing for the United States.

Mr. BARNHART. Under the provisions of the bill it will be required that a duplicate bill be given.

Mr. STAFFORD. Will the gentleman yield at that point?

Mr. BARNHART. Certainly.

Mr. STAFFORD. What advantage is to be gained to the Government generally by having the Public Printer a generalissimo bookkeeper of all the private printing that is printed by the establishment under private contract?

Mr. BARNHART. That is the question the gentleman from Indiana [Mr. CLINE] has asked me.

Mr. STAFFORD. I would be very glad to hear an explanation.

Mr. BARNHART. I will say that the gentleman from Wisconsin in his search for knowledge, and in which he is always faithful, if he wants to hereafter know anything about the cost of printing to the Government he will go to the annual report of the Public Printer and find it out succinctly; otherwise he would have to go to the report of as many of the departments as are authorized to do their printing, and there would be great confusion, whereas in this way you get it in a compact form in a report, indexed, and thereby a great timesaver to anyone who wishes the information.

Mr. STAFFORD. But what benefit to the Government generally is it to have a bookkeeper of all the printing that is done outside of the Government Printing Office by private contractors?

Mr. BARNHART. In order that we may, if the gentleman will allow me to use the expression, keep track in a compact way of all the printing that is done for the Government and by the Government.

Mr. MADDEN. Mr. Chairman, this is one of the most important bills the House has to consider during the session, and it seems to me it is unfair to consider such a bill with only 10 or 15 Members present, and therefore I raise the question of a quorum.

The CHAIRMAN. The gentleman from Illinois makes the point of no quorum. Evidently there is not a quorum present, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Aiken	Bartholdt	Browning	Carew
Allen	Bartlett	Burke, Pa.	Carr
Ansberry	Beall, Tex.	Byrnes, S. C.	Clancy
Anthony	Bell, Ga.	Calder	Clark, Fla.
Austin	Broussard	Campbell	Collier
Barchfeld	Brown, N. Y.	Cantrill	Connolly, Iowa



Copley	Greene, Vt.	Langham	Rainey
Covington	Griest	L'Engle	Roberts, Mass.
Crisp	Gudger	Lenroot	Sabath
Dixon	Guernsey	Levy	Saunders
Doolling	Hamill	Lewis, Md.	Scully
Doolittle	Hamilton, N. Y.	Lewis, Pa.	Sells
Doughton	Harris	Lindquist	Shreve
Dunn	Harrison	Linthicum	Slemp
Edmonds	Hay	Loft	Smith, N. Y.
Elder	Hayes	McAndrews	Steenerson
Estopinal	Helm	McGillcuddy	Stephens, Tex.
Evans	Hensley	McKellar	Stout
Fairchild	Hinds	Mahan	Stringer
Faison	Hobson	Maher	Sutherland
Fess	Hoxworth	Manahan	Switzer
Finley	Hughes, W. Va.	Martin	Taggart
Fitzgerald	Humphreys, Miss.	Merritt	Tavener
Gallagher	Johnson, Utah	Metz	Thomson, Ill.
George	Jones	Murdock	Treadway
Gerry	Kahn	O'Shaunessy	Underhill
Gillet	Kelley, Mich.	Paige, Mass.	Vare
Gittins	Kennedy, Conn.	Palmer	Volmer
Godwin, N. C.	Kent	Parker	Watkins
Goldfogle	Kindel	Patten, N. Y.	Whitacre
Good	Kinkead, N. J.	Payne	Wilson, N. Y.
Gorman	Kitchin	Peters	Winslow
Goulden	Knowland, J. R.	Plumley	Woodruff
Graham, Ill.	Korby	Powers	Woods
Graham, Pa.	Kreider	Prouty	Young, Tex.

The committee rose; and the Speaker having resumed the chair, Mr. PAGE of North Carolina, 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. 15902, and finding itself without a quorum, under the rule, he caused the roll to be called, whereupon 292 Members answered to their names, a quorum; and he presented a list of absentees to be entered in the Journal.

The SPEAKER. The committee will resume its sitting.

The Clerk read as follows:

SEC. 42. PAR. 2. The Public Printer shall furnish without cost to the Vice President, Senators, Representatives, Delegates, and Resident Commissioners manila envelopes not smaller than 6½ by 10½ inches in size, ready for mailing the CONGRESSIONAL RECORD, or any part thereof, and other Government publications. Envelopes so furnished shall be printed in black ink only and contain in the upper left-hand corner thereof the following words, to wit: "United States Senate," or "House of Representatives, U. S.," "Part of CONGRESSIONAL RECORD," or "Government publication." "Free," with a special request for return of not called for, and in the upper right-hand corner the facsimile signature or name of the Vice President, any Senator, Representative, Delegate, or Resident Commissioner, and the letters "V. P.," "U. S. S.," or "M. C.," and in the lower right-hand corner the name of the State or Territory; and in case of an extract from the CONGRESSIONAL RECORD, in addition to the foregoing, the name of the Vice President, Senator, Representative, Delegate, or Resident Commissioner, the date, and the topic or subject matter, with quotations from the CONGRESSIONAL RECORD not exceeding 30 words. No other words shall be printed thereon, except to affix the official title of the publication.

Mr. STAFFORD. Mr. Chairman, I desire to offer the following amendment: Insert the words "city and" after the word "the," in line 2, page 35.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 35, line 2, after the word "the," insert "city and."

Mr. STAFFORD. Mr. Chairman, I hope there will be no objection to this amendment, which merely provides, on the franked envelopes, in addition to having the State or Territory printed, there may be also printed the name of a city. Such is the practice at the present time, and I can see no objection to its continuance.

Mr. BARNHART. Mr. Chairman, the committee would most earnestly object to that. It could be subjected to grave abuse, which is sought to be corrected by this bill. The matter of addressing envelopes certainly belongs to the clerical force of Members. It provides the name of the State can be in there; but if you have to change the name of the city every time they print a lot of envelopes it will make a vast increase of expense.

Mr. STAFFORD. I decline to yield further, Mr. Chairman.

The CHAIRMAN. The gentleman from Wisconsin declines to yield further.

Mr. STAFFORD. I wish to have the attention of the committee for just a moment. The section under consideration provides for the printing of franked envelopes. The provision in the bill merely provides for the printing on the congressional envelope of the name of the State or Territory. The amendment which I propose provides for the printing of the name of any city in addition to the State and Territory. It has been the practice for years for Members of Congress, whenever they want the name of the city printed on the congressional-frank envelope, to have it so printed without cost. The committee recommends the printing only of the State or the Territory. The chairman of the committee says he will strenuously object to the printing of the name of the city. There are many of us who represent exclusively city districts.

The chairman of the committee states that it should be done by our stenographers. There is no more expense incurred by

printing the name of "New York, N. Y.," than printing the name in full of the State of New York, and it is the same way with my city, or with the city represented by the gentleman from Ohio [Mr. GORDON]. The idea that we should be put to the expense of having to typewrite that name in is something that I do not think will meet the serious approval of Congress at this time.

Mr. GORDON. Does that include municipalities that are termed cities?

Mr. STAFFORD. Yes; every city.

Mr. GORDON. Every post office in the country is included in that.

Mr. STAFFORD. Why, if the Member wants to have 1,000 or 2,000 or 10,000 franked envelopes printed for the dispatch of his speeches in any of the cities of his district he should be given that privilege. It should not be restricted only to the name of the State and compel the Member, through his stenographer, to write in the name of the city to which it is to be sent. It is a most reasonable proposition. I am surprised that the chairman of the committee is seeking to object to that proposal.

Mr. GORDON. Mr. Chairman, just one more question.

The CHAIRMAN. Does the gentleman yield?

Mr. STAFFORD. Yes.

Mr. GORDON. Suppose a man has 2,000 post offices in his district. Would you have special envelopes printed for each of those post offices?

Mr. STAFFORD. Oh, there is no Representative who has 2,000 cities or municipalities in his district.

Mr. GORDON. There may be a hundred.

Mr. STAFFORD. But there are probably one-half, certainly one-quarter, of the membership of this House whose congressional districts consist of but one city. What objection could be urged to the printing of the name of the city on the congressional franked envelope of a Member so situated?

Mr. BARNHART. Would the gentleman carry that to the extent of every post office in each Member's district?

Mr. STAFFORD. I have never heard that it was a subject of abuse, but if it were I would be willing to restrict the number to 5,000, if needed. It has never been abused so far. We only want express authorization for what is now done under the existing law.

Mr. BARNHART. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in five minutes.

The CHAIRMAN. The gentleman from Indiana [Mr. BARNHART] asks unanimous consent that all debate on this amendment close in five minutes. Is there objection?

There was no objection.

Mr. BARNHART. Mr. Chairman, I tried to say to the gentleman from Wisconsin [Mr. STAFFORD], when he asked me a question in explanation of this provision, that this is one feature of the bill that will effect, and ought to effect, a very great economy, for the reason that it will stop address printing. It would be all right if each of the 435 Members lived in a great city, where they had only one post office address, but fortunately, as I think, most of us live in districts where we have, say, from 75 to 100 post offices. This proposed amendment is the same as the provision of the present law, and it is abused more or less. If each Member had on an average 100 post offices and he had his envelopes printed only once a year, you could see how many changes would have to be made. It would be 100 times 435. That is the number of changes the Government Printing Office would have to make for one set of speech envelopes, and it would produce an enormous expense. It is not fair that the man who lives in a big city should have the name of the city put on his envelopes, whereas the man representing a country district, including a large number of counties, could not in the very nature of things have 75 or 150 different addresses printed. It would involve an enormous expense, and the very purpose of the bill to effect economies in the public printing would be neutralized by the adoption of amendments like this.

Mr. MADDEN. Mr. Chairman, will the gentleman yield there?

The CHAIRMAN. Does the gentleman from Indiana yield to the gentleman from Illinois?

Mr. BARNHART. Yes.

Mr. MADDEN. There could not be any objection to it if it would read, "Districts wholly within a city."

Mr. BARNHART. Yes, there could; it certainly would give the city Representative a very great advantage, because it would be doing the work for him that the Representatives of other districts would have to do for themselves, and which they ought to do for themselves, because they are provided with the clerical help to do it.

Mr. MADDEN. Well, the Members from city districts do not get many advantages, I will say to the gentleman. Any ad-



vantages that come, as a rule, come to the men who represent rural districts.

Mr. BARNHART. I take it, Mr. Chairman, that the Representative of an average rural district has a larger correspondence and a greater diversity of people to whom he wishes to send public documents than the Member representing a big city. I think that is generally true.

Mr. TOWNSEND. Mr. Chairman, will the gentleman yield there?

The CHAIRMAN. Does the gentleman from Indiana yield to the gentleman from New Jersey?

Mr. BARNHART. Yes.

Mr. TOWNSEND. That is a very interesting statement that the gentleman makes. I will ask him if he has any evidence upon which he bases it, that the Representatives from the country have a very much larger correspondence than the Representatives from the cities?

Mr. BARNHART. I take it that they do.

Mr. TOWNSEND. I do not deny it; but I am interested in it.

Mr. BARNHART. The largest city that I have the honor to represent has 80,000 people, and I know that the proportion of my correspondence from smaller towns and the rural districts is greater than it is from the larger cities.

Mr. TOWNSEND. The gentleman has made no general canvass to enable him to speak authoritatively?

Mr. BARNHART. No. I base it on my own observation. But in any event, whatever we do, if we permit this amendment we will incur a vast amount of expense which ought to be borne by the Member himself. In the matter of addressing envelopes, each Member of Congress has a clerk provided and paid for by the Government to do this addressing of envelopes, etc., and I hope the amendment will not pass.

The CHAIRMAN. The question is on the amendment.

The question being taken, the Chairman announced that the yeas appeared to have it.

Mr. STAFFORD. Division, Mr. Chairman.

The committee divided; and there were—ayes 9, noes 43.

Accordingly the amendment was rejected.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. I should like to ask the chairman of the committee whether he wishes to have the facsimile signatures of Members of Congress on all these envelopes, or whether a Member should be privileged to receive some of them without the imprint of the signature?

Mr. BARNHART. There is already such an authorization. They can get them without that.

Mr. STAFFORD. This is the only section that refers to the printing of the franked envelopes, and as the provision now stands it is compulsory to have the imprint of the facsimile of the Member's signature. I want to know if the gentleman has any objection to inserting, after the word "and," in line 23, page 34, the words "may contain"?

Mr. BARNHART. There is nothing in the provision that would prevent the Public Printer from furnishing envelopes without the signatures. It does provide what an envelope shall contain in order that it may be carried as a public document. Whether a Member writes his signature or whether it is printed on is a matter of no concern to the Public Printer. The envelope must have the Member's signature in order to carry it free through the mail. The purpose is that it shall contain the Government imprint, so that there can be no counterfeiting of the printing. If Members choose, they may use either their printed signatures or their written signatures. Otherwise the envelopes can not go free through the mail.

Mr. STAFFORD. No; this provision only allows the Public Printer to furnish one character of envelope to Members of the House. Every such envelope must contain the name of a Representative and the name of the State, and other requirements, including the words "House of Representatives, Government publication, free." My purpose is to make it discretionary, so as to allow a Member to obtain envelopes without the name. My suggestion is to insert the words "may contain" after the word "and," in line 23, page 34.

Mr. BARNHART. One of the purposes of the bill is to keep account of the number of envelopes printed, and it would be a difficult matter to do so without having a direct order. If any Member could order whatever envelopes he might choose, it would leave the way open for continuation of an abuse of the service which this bill seeks to check.

Mr. STAFFORD. Mr. Chairman, with that explanation I will not press the amendment.

Mr. BARNHART. What advantage would the gentleman from Wisconsin gain by having an envelope without the facsimile signature on it?

Mr. STAFFORD. We use a great number of envelopes for different purposes for which it is not necessary to have the imprint facsimile.

Mr. BARNHART. Not so far as the printing and franking privilege of a Member of Congress is concerned.

Mr. STAFFORD. Is it the purpose of the committee to have the Public Printer scrutinize the number of franked envelopes printed for each Member of Congress?

Mr. BARNHART. That he shall keep account; that is the purpose of this provision.

Mr. STAFFORD. Then I will not press this suggestion any further.

The CHAIRMAN. The gentleman withdraws the pro forma amendment.

Mr. STAFFORD. I wish to continue for five minutes further on another matter. I offer an amendment to strike out the word "without," in lines 12 and 13, page 34, and to insert the word "at."

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 34, lines 12 and 13, strike out the word "without" and insert the word "at."

Mr. STAFFORD. Mr. Chairman, this paragraph provides for furnishing free of expense the congressional franked envelopes to Members of Congress. This bill provides for the charging of the expense of all printing of documents of any kind that a Member may have occasion to use to the Member at cost. Personally I can see no more reason why we should receive the envelopes free, as this provides, than why we should receive Government publications free. If we are going to be consistent in having charged up against us the cost of the publications that we distribute, I think we ought also to have charged up against us the cost of these manila envelopes. We know that in many instances there has been considerable abuse of the use of these envelopes, not only manila, but white envelopes. Some Members have obtained these white envelopes of letter size free, and used them for the purpose of sending their replies to correspondence, when those envelopes should have been paid for by the individual Members. If we are going to have a strict accounting of the cost of sending out publications, speeches, and the like for the individual Members, I think the same principle should extend to the envelopes. A few minutes ago the chairman of the committee was very solicitous, for fear that the extra cost of printing the name of a city would be so burdensome on the Government, that it should not be indulged in.

Mr. BARNHART. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. BARNHART. Would the gentleman be willing to go a step further and provide that Members should pay for all the public documents they distribute?

Mr. STAFFORD. I understand that that is the very purpose of the bill, and I approve of it.

Mr. BARNHART. No; that is not the purpose of the bill.

Mr. STAFFORD. As I read the bill, Members are to receive a certain allowance and to be credited with a certain amount.

Mr. BARNHART. I get the gentleman now. I understand he proposes to put the envelopes in the allotment or valuation plan.

Mr. STAFFORD. To have the envelopes obtained by Members of Congress for use in sending out their congressional speeches and other congressional publications charged up to them. If we pay for the printing of our speeches that we send out, if we pay for our stationery and the envelopes we use in answering our correspondence, why should we not pay for the envelopes that inclose our speeches? If we pay for the printing of our speeches, why should we not pay for the envelopes in which they are contained?

Mr. BARNHART. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in three minutes.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that debate on this amendment close in three minutes. Is there objection?

There was no objection.

Mr. BARNHART. Mr. Chairman, as far back as the memory of man runneth, I take it, the Government of the United States has found its largest educational possibility in Government matters in the distribution of useful public documents. We are providing under this bill, as has been the provision for many years, for a free distribution of public documents, and we do by this bill seek to cure many abuses that have crept in whereby outside institutions have covertly had documents printed, probably at their own expense, but they have abused the franking privilege. We do not propose to take away any legitimate use of free Government document distribution from



any Member, but we do in the bill provide that there shall be a record kept of the amount that he sends out, so that if he should abuse it some one can find out what he is doing. There is no requirement except that the Public Printer must publish the facts annually, so that we will know how much a Member has used of the Government printing. We can not use more under the allotment plan than \$1,800 for documents. The Member would have no use for any other envelopes except to send out documents. If the gentleman from Wisconsin would like to make the envelope feature a part of the allotment, I do not know that I would object.

Mr. STAFFORD. Not only are Members to have the privilege of using the envelopes for sending out publications, but for sending out speeches, for which we are obliged to pay the cost, but not anything for the envelopes. Why should not the same cost be charged to Members for the use of the envelopes?

Mr. BARNHART. The man who is sending out speeches is, of course, sending them out largely for himself.

Mr. STAFFORD. Why should not he pay for the envelopes?

Mr. BARNHART. I do not know but that he should, but it would conflict with other features of the bill. It would make it necessary and incumbent on the Public Printer to charge for them, and you would have to pay out of your own pocket for all documentary envelopes used, and if for documentary envelopes, then we should pay for the document also.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken, and the amendment was rejected.

Mr. BATHRICK. Mr. Chairman, I desire to offer an amendment, line 7, page 35, to strike out the word "thirty" and insert the words "one hundred."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 35, line 7, strike out the word "thirty" and insert the words "one hundred."

Mr. BATHRICK. Mr. Chairman, I desire to ask the chairman of the committee how he arrived at the number of 30 words in his consideration of this matter?

Mr. BARNHART. Mr. Chairman, in answer to the gentleman, all I have to say is that that is the present law. It has proven satisfactory and economical, and the committee had no request from anybody to change it, and I doubt the propriety of changing it.

Mr. BATHRICK. Mr. Chairman, I am sure that that is an arbitrary decision. A man sending out speeches in envelopes may have the commendable purpose of letting the people of this country know something about important matters in Congress. I do not agree with the general acceptance of the purpose of sending out speeches that it is wholly and absolutely for the purpose of exploiting the Member's political fortune. There are many Members of this House who have sent out many thousands of speeches for the sole purpose of educating the public on great questions, and for that purpose, upon the envelope, often has been printed some catching phrase that he desired to attract attention by, taken from that speech, with the belief that if the attention of the people could be attracted by it it would be more widely read. To say that we shall only print upon an envelope an extract from a speech, that contains 30 words, is arbitrary in the extreme. By a very small cost of setting the type for 70 more words, you could make it 100 words; and then you must take into consideration that it is an incidental privilege and is only exercised once in a while. It strikes me that there should be a little more leeway in the matter.

Mr. CLINE. Will the gentleman yield?

Mr. BATHRICK. Yes.

Mr. CLINE. I suggest to the gentleman that it is the experience of every man in this House that that rule has not been adhered to. There is not a man in the House but has had envelopes printed with extracts that have contained 200 words.

Mr. BARNHART. Will the gentleman yield?

Mr. BATHRICK. Yes.

Mr. BARNHART. It has been the custom heretofore and is the law now that you can use 12 words on the outside in a description of your topic. Here is an envelope that contains the subject matter of the speech fully displayed in 29 words. There is no description of the topic there, nothing referring to it; merely the headlines, so to speak.

The provision of the present law is to make use of 12 words of an extract from a speech. If you want more than that, the Public Printer will make an estimate and you can pay the cost. Many Members do that. By the present provision we enlarge the number of words from 12 to 30 because 30 words is ample after you have the topic itself stated. Then you have 30 words for an extract of your speech if you want to use it, and everybody is thereby treated alike and there is no favoritism.

Mr. BATHRICK. I submit that everybody would be treated alike if it was 100 words. The difference in cost of putting the quotation upon the envelope would be negligible and not worthy of consideration. Thirty words is absolutely arbitrary.

Mr. BARNHART. So would 100 words be.

Mr. BATHRICK. But the limit would be sufficient to make the extract of the speech such as the Member might desire. It must be understood that we are not here for the sole purpose of saving money. If we are of any use to the people of this country, we ought to be able to carry information to them which is important. Not all speeches are sent out for personal advantage. I say that this is an arbitrary limitation on Members who desire to perform duties of great public service. If we are to have some arbitrary rule, I think 100 words is sufficiently arbitrary and 30 is altogether too great a restriction.

Mr. BARNHART. Mr. Chairman, I ask unanimous consent that debate on this amendment close in two minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BARNHART. Mr. Chairman, I would like to say, in reply to my friend from Ohio [Mr. BATHRICK], who, I think, is in earnest but is unduly exercised, that if it becomes the custom to print the principal parts of our speeches on the outside of the envelopes, the men who receive them will read that much and throw the rest away. The purpose of a headline in a newspaper is to attract the attention of the reader so that he will read the story. It is put on there to attract attention. You do not put in the headline of a newspaper a whole lot of the body of the article, but you put the headline in bold, catchphrase type to attract attention, and that is the purpose of printing the outline of the speech on the envelope. Under existing conditions you can print 12 words, and most Members avail themselves of that opportunity. Some like to put on more, but they must pay for it. To say that it costs scarcely anything to add a few words on the printing of the envelope is not correct. Composition and ink and wear and tear of type and machinery cost money; and, of course, if the Members of the House decide that they want to put the principal part of their speeches on the outside of envelopes, the committee has no material objection except to say that it will cost a good deal more, and the committee believes it will be just as well to use 30 words as an extract of a speech as to use 100.

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

Mr. BARNHART. Yes.

Mr. STAFFORD. The printing on a congressional franked envelope is at the expense of the Government, and the Members do not pay for it. I understood the gentleman to say that if a Member felt like having a hundred words on an envelope he would not object to it, though he would object to one little line at the bottom which would contain the name of the city. Is the gentleman entirely consistent?

Mr. BARNHART. I am saying that this is a matter for the House to decide, and not the committee. I think this amendment ought not to prevail. The bill makes a succinct and plain presentation as it is, and treats everybody alike.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. BRYAN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 35, line 2, after the word "territory," insert the following: "And the name of the post office may be printed where same may be done without increasing the expense to the Government."

Mr. BARNHART. Mr. Chairman, I make the point of order against that. That would not be possible.

Mr. BRYAN. Mr. Chairman, the gentleman says that the point of order is that it would not be possible; so, of course, that is not a point of order. He merely suggests that the amendment is unreasonable. It is in order.

Mr. BARNHART. In addition to that, I make the point of order that the sum and substance of that amendment has already been voted down by this House.

Mr. BRYAN. Mr. Chairman, that matter has not been presented at all. The gentleman is so astute and learned that if it had been voted down a while ago he would have suggested the fact a while ago that it was impossible. This is an entirely different proposition. For instance, under this amendment, where the address would be "Seattle, Wash.," or "Philadelphia, Pa.," that could be printed on the envelope without a bit more expense than the word "Pennsylvania," but when the matter came up a while ago the gentleman objected to allowing the post office to go on without restriction, because Members can put on a lot of little jerk-water post offices and create a lot of additional expense. I propose that when the post office



can be printed on the envelope without increasing the expense to the Government the Member may request the Public Printer and cause him to put on there the post office as well as the State.

The CHAIRMAN. The Chair will hear the gentleman from Indiana on the point of order.

Mr. BARNHART. Let us vote, Mr. Chairman.

The CHAIRMAN. The Chair overrules the point of order. The question is on the amendment.

Mr. BRYAN. Mr. Chairman, I want the Members to understand that there are Members here from New York City and Philadelphia—

Mr. BARNHART. Oh, I shall object, if the gentleman desires to make another speech.

Mr. BRYAN. I do not yield to the gentleman.

The CHAIRMAN. The gentleman from Washington has the floor.

Mr. BARNHART. I would like to inquire how much time the gentleman wants.

Mr. BRYAN. Five minutes.

Mr. BARNHART. Mr. Chairman, I ask unanimous consent that all debate on this close in 15 minutes.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that debate on this amendment close in 15 minutes. Is there objection?

There was no objection.

Mr. BRYAN. Mr. Chairman, it seems to me that the objection made a while ago to permitting a Member to request and cause the Public Printer to put the post office on the envelope where a great many post offices were involved, and an increase of expenditure was necessarily plain, was well taken, and it would be right to oppose the proposition; but where all of the documents or all of the speeches are to go to one city, as to Philadelphia, Pa., that the words "Philadelphia, Pa." on the envelope would not incur any additional expense; and it is absolute folly to require the Member when he wants to send out, say, 40,000 speeches to Philadelphia to hire some girl to write the word "Philadelphia" 40,000 times. That is not economy or good sense. I do not think the chairman of this committee ought to object to allowing the address to be put on, with a proviso like that, that it can be done only when no increase of expenditure on the part of the Government is incurred. That is all there is to my proposition, and I believe it is reasonable.

Mr. PLATT. Mr. Chairman, I merely want to say as a practical printer that I think it is possible to print the city on the envelope without any additional expense.

Mr. BARNHART. The gentleman is a practical printer. What does he charge in his office for changing a form?

Mr. PLATT. But you would not change any form.

Mr. BARNHART. You would, if you had a hundred or a hundred and fifty post offices in your district.

Mr. PLATT. That is not what the gentleman's amendment provides. He merely wants one post office put on.

Mr. BARNHART. But he can come every day with his order until he gets his post offices supplied.

Mr. PLATT. The gentleman knows as a printer that it does not cost any more to set up "New York, N. Y." than "New York" alone. You could not possibly estimate any increased expense there.

Mr. BARNHART. We have been all over that ground.

Mr. PLATT. It really would not cost another cent.

Mr. BRYAN. The change would cost, if you have a half dozen different changes to be made; but under this amendment you could not have that privilege.

Mr. PLATT. You must do it all one way.

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was rejected.

Mr. BATHRICK. Mr. Chairman, I offer the following amendment: On page 35, line 8, after the word "thereon," insert the words "at Government expense."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

On page 35, line 8, after the word "thereon," insert the words "at Government expense."

Mr. BATHRICK. Mr. Chairman, the defeat of the amendment which I have just offered, extending the number of words that could be printed on an envelope, as an extract from a speech, from 30 to 100, leaves us in a peculiar position. It is very arbitrary, but unless this amendment prevails a Member of the House will not be permitted to print at his own expense an extract from a speech from the RECORD upon an envelope, and I submit that that is foolish. If the law stands as it is printed in this bill it simply says, "No other words shall be printed thereon except to affix the official title of the publication." Now, a Member could not take that envelope to a pri-

vate printer and have anything else printed upon it, and I ask the chairman of the committee if he will not accept this amendment?

Mr. BARNHART. Mr. Chairman, if the gentleman will permit, there will be this objection to it: I think it is turning the Government Printing Office over into a job printery, and one purpose of this bill is to prevent that; and another thing is, it puts all the Members on an absolutely equal footing, and gives what the committee thought were ample facilities for printing display extracts from a speech.

Mr. BATHRICK. Just a word. Is not this putting all the Members on an equal footing, for if anybody desired to take this envelope and print extracts from a speech upon it he would be permitted to do so?

Mr. BARNHART. That would be giving one man what the other fellow may not have—

Mr. BATHRICK. No; he has the opportunity like the other fellow has. This costs the Government nothing; there is no expense attached to this amendment in any way, shape, or manner, and it is giving to a Member the privilege of taking that envelope and having printed on it an extract from his speech.

Mr. PLATT. Let me ask the chairman of the committee if he did not state a few minutes ago, as a matter of fact, the Printing Office itself does it now at the expense of the Members?

Mr. BARNHART. That is under the present law.

Mr. BATHRICK. I think the gentleman ought to accept the amendment.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. I can not realize how any person can object to the reasonable amendment presented by the gentleman from Ohio, unless it is the intent and design of the chairman of this committee to strait-jacket the congressional franked envelope so that it shall be only of a certain style and a certain form. Now, I would like to have had the entire expense of the printing of these congressional franked envelopes borne by the Members rather than by the Government. But here we have the very reasonable proposition of the gentleman from Ohio that additional words, either the name of the city or the name of the village in the district to which these speeches are to be sent, may be paid for by the Member himself when he desires that. What objection can be raised to such a reasonable provision? I leave it to the sense of the committee.

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

The Clerk read as follows:

SEC. 42. PAR. 3. The Public Printer shall also furnish without cost to the Vice President, Senators, Representatives, Delegates, and Resident Commissioners blank franks printed on sheets and perforated, or singly, for mailing Government publications. Franks so furnished shall be printed in black ink only and contain in the upper left-hand corner thereof the following words, to wit: "Government Publication, Free," "United States Senate," or "House of Representatives, U. S.," and a special request for return if not called for, and in the upper right-hand corner the facsimile signature or name of the Vice President, any Senator, Representative, Delegate, or Resident Commissioner, and the letters "V. P.," "U. S. S.," or "M. C.," and in the lower right-hand corner the name of the State or Territory: *Provided*, That the Public Printer shall furnish to the Department of Agriculture such franks as the Secretary of Agriculture may require for sending out seed on congressional orders, the franks to have printed thereon the facsimile signature of Senators, Representatives, Delegates, or Resident Commissioners, the names of their respective States or Territories, and the words "United States Department of Agriculture, Congressional Seed Distribution," or such other printed matter as the Secretary of Agriculture may direct, the franks to be of such size and style as may be prescribed by the Secretary of Agriculture; the expense of printing the said franks to be charged to the allotment of appropriation for printing and binding for Congress.

Mr. JOHNSON of Washington. Mr. Chairman, I move to strike out the last word for the purpose of paying a brief but sincere tribute to the chairman of the committee in charge of this bill, the gentleman from Indiana [Mr. BARNHART], and to all the members of the Joint Committee on Printing. As a practical printer I know something of the laborious work that has been performed in the preparation of this bill. The bill deals with a great many technicalities, and I know that, although one or two slight changes are being made, the entire House will appreciate the work that has been done. [Applause.] The bill will help to systematize the great Government Printing Office. It will prevent the waste of valuable documents; it will help the Members of Congress, and it will result in a very great saving to the people of the United States. The gentleman from Indiana can not say so, but I know that he is glad that we have put the old all-around printer on a par with some of the specialist craftsmen in the model printing office of all the world. The chairman and his committee have placed this bill before us. They have not said, "This is our bill," but, rather, "This is your bill," and each little change for the general betterment of the whole measure has been graciously accepted.



Mr. Chairman, I feel that the Members will join me in a tribute to all printers everywhere, from the boy who to-day is beginning his trade to the masters of the "art preservative of all arts"—the men who place in type, hour by hour, and make public the story of the history of the world—a bloody, brutal story to-day, but one of peace and prayer to-morrow, we all hope.

The tribute should extend, Mr. Chairman, to the men who write the news, to the wonderful Associated Press, whose agents now are striving to break down the censorships that warring nations have created, who are bending every nerve to send corrected, unbiased information for editors, printers, and pressmen to put before a Nation made up of the blood of all nations. Oh, what a staggering task! What reporter can comprehend a battle line 250 miles long? What editor can say if the report is fair? What hours must the printers work? How can a pressman say at what hour the extra with the world's greatest war news shall spring forth?

Mr. Chairman, how many of us struck out in life's battle when we were just past the Fifth Reader by sticking a little type or by inking the forms on the old Washington hand press? How times have changed in the printing business since then! Visit, if you will, the great Government Printing Office. See that myriad of trained employees, each one doing his part with economy and efficiency; see the keen-eyed men fingering the keyboards of marvelous machines, while the type they set comes out into lines on the floor above; see those trained proof readers correcting the proofs of all of the volumes from all of the departments that tell of all the activities of a Nation of 100,000,000 people, whose greatest successes have come from the fact that a greater percentage of these United States citizens can read and write than of the people of any other country on the globe, and then stop to wonder and to think.

Our people secure nearly, if not all, their information from the types. The country printers and the country editors, together with their brothers who have graduated into city printers and metropolitan editors, give out with less bias and less prejudice more news and information than is permitted in any other country.

Mr. Chairman, every true printer loves his work. He loves the printed page. He knows that his trade is truly an art. All the printers I have known—and I am sure the gentleman from Indiana will agree with me—believe in and know the epitaph which Benjamin Franklin, printer, wrote for himself, as follows:

THE BODY  
OF  
BENJAMIN FRANKLIN,  
PRINTER  
(LIKE THE COVER OF AN OLD BOOK,  
ITS CONTENTS TORN OUT,  
AND STRIPPED OF ITS LETTERING AND GILDING),  
LIES HERE, FOOD FOR WORMS.  
BUT THE WORK ITSELF SHALL NOT BE LOST,  
FOR IT WILL, AS HE BELIEVED, APPEAR ONCE MORE,  
IN A NEW AND MORE ELEGANT EDITION,  
REVISED AND CORRECTED  
BY  
THE AUTHOR.

Mr. STAFFORD. Mr. Chairman, I offer the following amendment: Page 36, lines 4 and 5, strike out the words "United States Department of Agriculture."

The CHAIRMAN. The Clerk will report the amendment. The Clerk read as follows:

Page 36, lines 4 and 5, strike out the words "United States Department of Agriculture."

Mr. STAFFORD. Mr. Chairman, the amendment seeks to eliminate from the seed frank the term "United States Department of Agriculture." Every Member here is aware that when we send out seed through our districts there is an impression upon the part of a large number of our constituents that instead of coming from the Representatives they come from the Department of Agriculture. I know I have received many letters in response to the reply on the frank to make some report as to the character of those seed—

Mr. BARNHART. Will the gentleman yield?

Mr. STAFFORD. When the letter is addressed, United States Department of Agriculture, fifth district, Wisconsin. Now, to obviate the ambiguity in the minds of our constituents and to let them know from where they come and also to save the cost of printing those words I move to strike that out of the bill. I think you will all agree that there is no sense in keeping on the congressional frank the term "United States Department of Agriculture," when the Member himself is sending out the seed.

Mr. BARNHART. The difficulty about that would be that when we get an inferior quality of seed, which sometimes happens, then the responsibility would be placed on the shoulders

of good men like the gentleman from Wisconsin, and the Department of Agriculture would escape blame.

Mr. STAFFORD. The responsibility is placed on my shoulders many times instead of on the Department of Agriculture by the knowing members of the district.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 42. PAR. 4. It shall be unlawful for any person entitled to franked envelopes or franked slips under the provisions of this act to furnish the same, either directly or indirectly, to any individual, committee, organization, or association for the benefit or use of such individual, committee, organization, or association: *Provided*, That the foregoing provision shall not apply to any committee composed of Members of Congress: *Provided further*, That it shall be unlawful for anyone except the Public Printer to print franked envelopes or franked slips for the mailing of Government publications, and all such franked envelopes or franked slips shall bear the imprint of the Government Printing Office: *Provided further*, That the Public Printer shall submit a report to Congress each regular session showing, by name, the number and cost of franked envelopes and franked slips printed and furnished to each Senator, Representative, Delegate, Resident Commissioner, or officer or committee of Congress during the preceding fiscal year, indicating separately those printed for the mailing of Government publications: *Provided further*, That any person who shall violate the provisions of this section shall be fined not more than \$300.

Mr. BARNHART. Mr. Chairman, I ask unanimous consent, in order to make the bill clear, that in line 2, after the word "printed," on page 37, there be inserted the word "free." This would distinguish between the free envelope and the ones that we pay for.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Indiana [Mr. BARNHART].

The Clerk read as follows:

Page 37, line 2, after the word "printed," insert the word "free."

Mr. WILLIS. Mr. Chairman, I desire to be heard on the amendment for the purpose of asking the gentleman from Indiana a question as to the meaning of the proviso on lines 17, 18, and 19, on page 36. Does the gentleman think that language is sufficiently clear to make possible the distribution of documents by the congressional committees, as he knows the congressional committees are not composed entirely of Members of Congress?

Mr. BARNHART. Mr. Chairman, that is the present law, and the committee thought it was up to the honor of members of these committees to faithfully comply with the law; and so we left it as it was.

Mr. WILLIS. There is no doubt about that; but my question went to the matter of clearness in the expression. As a matter of fact, the committees are not made up exclusively of Members of Congress. The proviso says:

*Provided*, That the foregoing provision shall not apply to any committee composed of Members of Congress.

Mr. BARNHART. As a matter of fact, our congressional committees are made up of Members of Congress; otherwise they would not be congressional committees.

Mr. WILLIS. I think, as a matter of fact, that is not generally true. The gentleman will find on his own congressional committee, I think, some members not Members of Congress. That is generally true of the congressional committees of the several parties. They are not made up exclusively of Members of Congress. In view of that fact does the gentleman think this language is sufficiently clear?

Mr. BARNHART. You could say, "A majority of whom shall be Members of Congress." That would give an opportunity for designing people to organize with Members of Congress and still comply with the law. We thought, after a full consideration, this would be the best protection that could be afforded in the matter of the use of the frank, and to prevent its abuse.

Mr. WILLIS. My attention has been called to the fact that some States do not have representation in Congress from one or more of the political parties. Obviously the member of the congressional committee from such a State could not be a Member of Congress. I ask the question in order to ascertain if this language would be sufficiently clear.

Mr. BARNHART. Would the gentleman from Ohio be willing that we insert the words "entirely Members of Congress" as an amendment? Does the gentleman think that would better safeguard it?

Mr. WILLIS. That would make it perfectly clear that none of the congressional committees of any of the political parties could send out these documents, because none of them are composed exclusively of Members of Congress.

Mr. BARNHART. It does not say that.

Mr. WILLIS. It would if you adopted that amendment.

Mr. BARNHART. There has never been any question about this feature of the law, either by the postal authorities or anybody else.

Mr. PLATT. Mr. Chairman, will the gentleman yield there?

The CHAIRMAN. Does the gentleman from Indiana yield to the gentleman from New York?

Mr. BARNHART. Yes.

Mr. PLATT. I merely want to suggest to the Chairman whether it would not be a good plan to use the same language as is used in section 42, where the words "without cost" are used instead of "free." In section 42, page 34, lines 12 and 13, the words "without cost" are used. It seems to me it would be better to use the same phrase in each place.

Mr. BARNHART. Mr. Chairman, no contingency has arisen by which we could purchase franked slips. There is a provision of law whereby we purchase our own stationery, and we are given \$125 a year for that purpose. We inserted the word "free" in the other relation to indicate the difference, so that we can ascertain whether the free privilege is being abused or not. A Member has the right to buy as many Government printed envelopes as he chooses, and he can indulge himself to the limit and nobody can have any objection, because he pays for all he gets. I do not think there will be any reason for anybody purchasing frank slips, because each Member can get all he wants.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 44. PAR. 1. Either House of Congress may order any matter printed as a document, the printing of which is not already provided for by law, but only when the same shall be accompanied by an estimate, obtained from the Public Printer, of the probable cost of printing a sufficient number of copies of the complete document for distribution as provided for in sections 46, 63, and 65 of this act, which number shall be known as the "usual number," and if accompanied by illustrations the order to print shall specifically so authorize: *Provided*, That no such printing shall be ordered or undertaken until all the copy therefor has been referred to and reported upon by the respective Committee on Printing, or such committee has been discharged from its consideration: *Provided further*, That the Committee on Printing of either House in submitting a report on printing provided for in this section shall include therein an estimate of the probable cost of the proposed printing by the Public Printer, a statement from him of the estimated approximate cost of work previously ordered by Congress within the fiscal year and the amount available therefor, a description of the general character of the matter submitted for printing, and, if a reprint, the number of copies previously ordered and on hand in any form.

Every communication submitted to Congress or either House thereof by any executive department, independent office, or establishment of the Government shall have written thereon or attached to the letter of transmittal an estimate of the probable cost of printing the usual number thereof as a document, a recommendation from the officer transmitting the same as to its printing, and a statement as to whether it is accompanied by illustrations: *Provided*, That if the estimated cost of printing a communication so transmitted is less than \$100, it may be ordered printed by either House without reference to its Committee on Printing as herein provided; but whenever a recommendation is submitted that a communication be not printed, it shall not be made a document by either House, until reported upon by the committee to which it may be referred, and then only as provided for in this section: *Provided further*, That nothing in this paragraph relating to estimates or reference to the Committee on Printing shall apply to printing the usual number of reports of committees of Congress; to addresses or messages of the President to Congress, when not accompanied by other papers; to communications submitted to Congress by any executive department, independent office, or establishment of the Government, the printing of which is provided for by law; to communications from the Court of Claims; to estimates of appropriations; or to matter printed for the use of either House in executive or secret session: *Provided further*, That all reports on examinations and surveys of rivers and harbors authorized by law which may be prepared during the recess of Congress shall, in the discretion of the Secretary of War, be printed by the Public Printer as documents of the following session of Congress.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Wisconsin [Mr. STAFFORD] moves to strike out the last word.

Mr. STAFFORD. We are certainly by this paragraph surrendering the powers of the House to the Committee on Printing, so far as relates to all public documents that are submitted to it for consideration. No public document may be printed under the provisions of this paragraph unless it has the visé—I was about to say—of the august body known as the Committee on Printing.

Mr. BARNHART. That is not right.

Mr. STAFFORD. It changes the existing rules of the House and the existing practice, so far as printing is concerned. The paragraph says:

Either House of Congress may order any matter printed as a document the printing of which is not already provided for by law, but only when the same shall be accompanied by an estimate, obtained from the Public Printer, of the probable cost of printing a sufficient number of copies of the complete document for distribution as provided for in sections 46, 63, and 65 of this act, which number shall be known as the "usual number," and if accompanied by illustrations the order to print shall specifically so authorize: *Provided*, That no such printing shall be ordered or undertaken until all the copy therefor has been referred to and reported upon by the respective Committee on Printing, or such committee has been discharged from its consideration.

It has heretofore been the privilege of the House to order printed as documents such matters as it believed were advisable to have printed; but under this provision the House can not, except by unanimous consent, have any document printed until it has been first viséed by the Committee on Printing.

Then, again, the second paragraph of the provision provides that every communication submitted to Congress, including reports of the departments, shall be accompanied by an estimate of the cost of the printing, and that those reports can not be printed, except as to certain matters relating to estimates, until the printing of those also has been O. K'd by the Committee on Printing.

If we are going to establish this strict censorship in the matter of the printing of communications to Congress and in the matter of the documents that are submitted to Congress for printing, why, we might as well surrender, so far as printing is concerned, all our privileges to the Joint Committee on Printing. I do not think there has been any grave abuse under the existing practice of the printing of documents by the House; but if we are going to submit everything to the Committee on Printing, as required by this provision, except in the few cases instanced in the paragraph, I think it will lead to delay.

Mr. BARNHART. We do that now.

Mr. STAFFORD. We certainly do not have anything in the existing law which says that no such printing shall be ordered or undertaken until all the copy therefor has been referred to or reported on by the Committee on Printing. And further, we have not at the present time any requirement that every report submitted to us by the departments shall be accompanied by an estimate of the cost of the printing at the time when it is submitted and that it can not be printed until it has been referred to the Committee on Printing. If the House is inclined to adopt that strict censorship over its action, I have no more to say on the subject.

Mr. BARNHART. Mr. Chairman, I ask unanimous consent that I may be allowed to proceed for five minutes.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. BARNHART. Mr. Chairman, the gentleman from Wisconsin has a commendable motive, but he is mistaken. The present law provides that either House may order the printing of a document not already provided for by existing law, but only when the same shall be accompanied by an estimate from the Public Printer as to the probable cost thereof; and there is the leeway for extravagance in this privilege which this bill seeks to curtail.

I want to give you a specific instance. The House of Representatives has observed this rule very carefully, so that scarcely anything is permitted to be printed without some committee acting upon it, considering the advisability of printing it, learning whether it is a duplication, what it will cost, and so forth.

In the Sixty-first Congress the cost of the printing done by unanimous-consent orders on the floor of the House was only \$5,895.42. During that same Congress the cost of similar unanimous-consent printing ordered by the Senate was \$51,490. I want to call attention to a few conspicuous abuses. In a recent session of Congress, by unanimous consent obtained on the floor of this House, without any reference to the Committee on Printing, and without anybody knowing what it was going to cost, this great folio volume, which I hold here, entitled "History of the House Office Building," was ordered printed, and it cost \$4,700 for 565 copies.

Mr. STAFFORD. Will the gentleman kindly describe the volumes?

Mr. BARNHART. It is entitled "History of the House Office Building, House Report No. 2291, Sixty-first Congress, third session." On the memorable occasion of the laying of the corner stone of that building a famous American, then President, delivered a sensational speech against muckraking.

Mr. STAFFORD. A speech against muckraking.

Mr. BARNHART. Yes; and not one word of that speech is included in this volume. There is nothing in it about the laying of the corner stone, but there is a very expensive illustration showing a few colored gentlemen laying the last stone of the building. Included in this volume are numerous illustrations, very expensive in their preparation, showing the different stages of the construction of the building. The book cost taxpayers \$4,700. The printing was authorized by some man arising on the floor of the House and asking unanimous consent that it be published in book form, and it was done contrary to the provision of law requiring that an estimate of probable cost should accompany it.



I have a few other conspicuous instances. In the not distant past in another branch of this Congress evidence taken by the Interstate Commerce Commission in the matter of proposed advances in freight rates by carrier was submitted, and one of the Members, by unanimous consent, had this report printed in 10 volumes and in such numbers that it cost the Government \$22,869.05. Additional matter submitted on April 14, 1914, filled three mail sacks of closely typewritten copy, which it was stated would require complete reindexing, with more matter to be submitted, and that it might cost \$25,000 to \$30,000 more.

In another memorable instance, at the time when a noisy Indian was a Member of Congress, he made a speech on child labor, or a children's bureau, and by unanimous consent asked for publication and republication of volumes of all sorts that were already in print, and the Public Printer expended \$55,000 of the money belonging to the people of the United States for that publication. I seriously doubt if there is a man in the world who will ever take the time to read all of that junk through.

Now, Mr. Chairman, I submit to you that these abuses have crept in. They are not common in the House, because we observe the law carefully. The other day an excellent gentleman rose and asked unanimous consent to publish the proceedings of the extra session of the Legislature of Porto Rico. The chairman of the Committee on Printing objected until he could investigate it. He discovered that the document had been already printed by the Bureau of Insular Affairs, and that it had the plates and the type, and all that, and the 500 copies asked for would have cost the Government about \$450, while a reprint would only cost \$47.50. The gentleman who submitted that request knew nothing about the cost or the cheaper way to proceed.

This law provides that any publication costing more than \$100 shall be referred to the Committee on Printing. That committee is supplied with clerks whose duty it is to find out whether the printing would be a duplication or if there be a more economic method. I insist that this provision is one of the largest savings in the bill, and we ought to adopt it.

The CHAIRMAN. The time of the gentleman has expired, and the pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

SEC. 44. PAR. 2. Either House may by simple resolution order reprints or additional copies printed of any Government publication to the amount of \$500; if the cost exceeds that sum or if it is proposed to make such publications available for congressional valuation distribution, the printing shall be ordered by concurrent resolution unless the resolution is self-appropriating, when the order shall be by joint resolution. Such resolutions when presented to either House shall be referred immediately to its Committee on Printing, which shall report thereon as provided for in this section. Whenever additional copies or a reprint of any publication shall be ordered by either House, only the number of copies provided in this act shall be printed and delivered to its respective document room, unless otherwise ordered: *Provided*, That the Joint Committee on Printing may order additional copies printed of any Government publication at a cost of not to exceed \$200 for any one publication in any one Congress.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word in order to get some information. I would like to inquire of the chairman as to the need of this provision in allowing the Joint Committee on Printing to have additional copies printed of any Government publication at a cost of not to exceed \$200?

Mr. BARNHART. That is the present law. It has worked admirably, and it is largely for emergency purposes. It enables Members to get a reprint of a document if in the judgment of the committee it is proper to do so; they can have a reprint of any publication made at the Government's expense at a cost not exceeding \$200.

Mr. STAFFORD. Is it intended by this provision to have the committee, on its own authority, authorize additional printing up to \$200 without a formal resolution being introduced in the House?

Mr. BARNHART. Only in the instance of the reprint of documents. It has been the custom for years, and I do not recall that it has ever been abused.

Mr. STAFFORD. Why should the Committee on Printing have any more authority in that matter, without a formal resolution being introduced, than any other committee of the House?

Mr. BARNHART. It takes care of the little emergency matters. There is hardly any possibility of its being abused. There could not be a second reprint; it is only one reprint that is provided for.

Mr. STAFFORD. It is not limited to any one reprint in the phraseology.

Mr. BARNHART. Yes; it says:

*Provided*, That the Joint Committee on Printing may order additional copies printed of any Government publication at a cost of not to exceed \$200 for any one publication in any one Congress.

Mr. STAFFORD. I see the limit is to one Congress.

Now, I wish to direct the gentleman's attention to another part of this paragraph, beginning on line 24, page 30, where it says:

Such resolutions when presented to either House shall be referred immediately to its Committee on Printing, which shall report thereon as provided for in this section.

Is not that virtually infringing on the rules of each House? Are you not attempting by law to create a rule of the House?

Mr. BARNHART. That is existing law. There never has been any complaint of it.

Mr. STAFFORD. It is virtually a rule of each House that you are enacting into law.

Mr. BARNHART. It furnishes a protection that is needed. It refers it to a committee that is or should be careful in the consideration of it. I think the law is well grounded and it should be continued in existence.

Mr. STAFFORD. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN (Mr. BYRNS of Tennessee). The Clerk calls attention to a typographical error on page 30, line 23, where the word "joint" is misspelled. Without objection, the correction will be made.

There was no objection.

The Clerk read as follows:

SEC. 44. PAR. 3. The term "Government publication," as used in this act, shall be held to mean and include all publications printed at Government expense or published or distributed by authority of Congress. No Government publication nor any portion thereof shall be copyrighted, nor shall any reprint of such publication other than by the Government Printing Office bear the imprint of that office, and hereafter every publication printed at the Government Printing Office shall bear its imprint and the name of the committee, commission, office, department, or establishment of the Government causing the same to be published. Whoever shall use the Government Printing Office imprint on any publication not printed by the office shall be fined not more than \$1,000.

Mr. BARNHART. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 40, line 22, after the word "by," strike out the word "the" and insert the word "that."

The CHAIRMAN. The question is on the amendment.

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

Mr. BRYAN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD on this bill.

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

There was no objection.

The Clerk read as follows:

SEC. 46. PAR. 3. Of the House numbered documents and reports, excepting reports on private bills and simple and concurrent resolutions, there shall be distributed, unbound, to the Senate document room, not to exceed 150 copies; to the office of the Secretary of the Senate, not to exceed 10 copies; to the House document room, not to exceed 500 copies; and to the office of the Clerk of the House of Representatives, not to exceed 20 copies: *Provided*, That, upon the order of any Senator or Member at the beginning of each session, one copy of every document for such session shall be promptly delivered to his office by the Senate or House document room, respectively, from the number provided therefor in this section.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. Do I understand that out of the 500 copies of House documents each Member is to receive a copy upon his order, to be delivered to his room?

Mr. BARNHART. He may have it if he asks for it.

Mr. STAFFORD. What provision will be made for furnishing these documents to the general public if such privilege is availed of? We provide for the printing of only 500 copies of a House document. If the Members of the House and the Senate wish to exercise the privilege, they will soon be exhausted. There are over 500 Members and Senators. There would not be any document left for the general public.

Mr. BARNHART. Under the present law there are only 360 provided, and we have 440 Members of the House. The new feature of this section is to prevent the abuse that fills the terraces of this Capitol and the old car barns down at the foot of the hill and the basement of the Capitol with all sorts of moldy old junk, which is costing the Government annually nearly half a million dollars in waste printing losses, because it is printing so much stuff that nobody cares to send out. If any document is of importance, after each Member has had one, he can introduce a resolution for a reprint, and it can be had. It is a matter that will be purely in the hands of the Congress and not in the hands of the committee to issue as many of these publications as it sees fit, but this prevents the overpublication of all sorts of documents.

Mr. STAFFORD. I am quite in sympathy with the purpose. There has been an abuse under existing practice, and many

documents have been needlessly published, but under this new arrangement, permitting the Members and the Senators to have one copy of each document sent to their offices, there will be few copies available for the general public, unless, as the gentleman says, some Member sees fit to introduce a special resolution to have a reprint made.

Mr. BARNHART. There is not any provision of that kind now, and the gentleman has never been embarrassed by it.

Mr. STAFFORD. There is no provision authorizing a Member or a Senator at the present time to have one of these documents furnished to him at his office.

Mr. BARNHART. Yes; but he is entitled to it now. He can go there and take it out. This simply provides that these documents shall go to the Members' offices. Many times Members complain that they never knew that there was such and such a document in existence, and if the documents are sent to their rooms they will not be corded up all around here as waste, as they are now.

Mr. STAFFORD. I was merely fearful that there would not be any documents at all for the general public.

Mr. BARNHART. I think the gentleman need not have any fear on that score.

The Clerk read as follows:

SEC. 46. PAR. 5. Of the Senate reports on private bills and simple and concurrent resolutions, there shall be distributed, unbound, to the Senate document room, not to exceed 220 copies, and of the House reports on private bills and concurrent and simple resolutions, not to exceed 100 copies. Of the Senate and House reports on private bills, concurrent and simple resolutions, there shall be distributed, unbound, to the Executive Office, 2 copies; to the office of the Secretary of the Senate, not to exceed 10 copies; to the House document room, not to exceed 200 copies; to the Government Printing Office, for official use, 5 copies; to the office of the superintendent of documents, 2 copies; to the Library of Congress, 2 copies: *Provided*, That reports on bills for the survey of rivers and harbors shall take the distribution of private reports.

Mr. BARNHART. Mr. Chairman, I offer the following amendments, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 44, line 13, after the word "and," strike out "concurrent and simple" and insert "simple and concurrent."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

Page 44, line 15, after the word "bills," strike out the comma and the words "concurrent and simple" and insert "simple and concurrent."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 46. PAR. 6. Of the Senate and House numbered documents and reports there shall be bound and distributed to the Executive Office, 2 copies; to the Senate and the House libraries, each, not to exceed 15 copies; to the Library of Congress, for its own use and for international exchange, not to exceed 110 copies, as requested by the Librarian of Congress; and to the superintendent of documents, a sufficient number to enable him to make distribution to depository libraries: *Provided*, That only such Senate and House reports on private bills and simple and concurrent resolutions shall be included in the distribution to international exchanges and depository libraries as shall be deemed of public importance by the superintendent of documents, but 1 copy of every report shall be distributed to the library of the office of the superintendent of documents. The binding provided for by this paragraph shall be done in the manner directed by the Joint Committee on Printing, and in the binding of documents and reports the Public Printer shall bind separately every document or report which in its unbound form is 1 inch or more in thickness of printed matter, and shall bind the smaller documents and reports in suitable volumes, the titles on the backs and sides of these volumes to be supplied by the superintendent of documents, and as far as practicable shall indicate the subject matter contained therein: *Provided further*, That any depository library that may prefer to have its documents and reports in unbound form instead of the bound edition may do so by notifying the superintendent of documents to that effect prior to the convening of each Congress: *Provided further*, That the Librarian of Congress may order any of the documents and reports for international exchanges in unbound form instead of the bound edition.

Mr. WILLIS. Mr. Chairman, I move to strike out the last word for the purpose of securing some information from the chairman of the committee. I direct his attention to the proviso at the end of paragraph 5, section 46, which reads as follows:

*Provided*, That reports on bills for the survey of rivers and harbors shall take the distribution of private reports.

What does that language mean?

Mr. BARNHART. That is existing law, and it means that there shall be the same number printed as there are of private reports. It has worked satisfactorily. There have been no complaints to the committee at any time in respect to the operation of it.

Mr. WILLIS. It is not a question as to the operation of it, but as to the real meaning of it. The language is certainly obscure.

Mr. BARNHART. It means merely to regulate the number. Mr. WILLIS. That is, that these reports shall be distributed as private reports? Is that the meaning of the words "take the distribution of private reports"?

Mr. BARNHART. That is what it says.

Mr. MADDEN. Mr. Chairman, I notice that there are only about 28 Members in the House, and I demand that we have a quorum present.

Mr. BARNHART. Mr. Chairman, will the gentleman yield to me for a moment? This is a very long bill, and it is tedious and is in the way of some others, but the particular features of the bill that we are now considering are not of any particular concern to anyone, and I hope the gentleman will withhold his point until 5:30 o'clock, when we will reach an important part of the bill, when we ought to have a quorum present, and then adjourn until next Wednesday.

Mr. MADDEN. Mr. Chairman, the gentleman from Indiana, chairman of the Committee on Printing, has been a very arduous worker all his life. He has worked constantly and persistently on this bill and must be very tired—

Mr. BARNHART. No; he is not.

Mr. MADDEN. It is evident a very great many Members of the House are not interested in this particular part of the bill now being considered, or in any other part of it. A number of us have been here constantly, endeavoring to keep a quorum. The hour has arrived when it is evident that we will not be able to get one, and I therefore make that point.

Mr. STAFFORD. I hope the gentleman from Indiana will move to rise.

Mr. BARNHART. I do not like to quit at 5 o'clock, when I think we could get through with a little more—

Mr. STAFFORD. Will not the gentleman move to rise?

Mr. BARNHART. 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. PAGE of North Carolina, 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. 15902 and had come to no resolution thereon.

#### WITHDRAWAL OF PAPERS.

By unanimous consent, Mr. BAILEY was granted leave to withdraw from the files of the House without leaving copies the papers in the case of Anne McNamara (H. R. 11764), no adverse report having been made thereon.

#### LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. HELM, for one week, on account of sickness.

To Mr. TAVENNER, indefinitely, on account of illness in his immediate family.

#### MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed without amendment joint resolution of the following title:

H. J. Res. 337. Joint resolution to provide for representation of foreign Governments growing out of existing hostilities in Europe and elsewhere, and for other purposes.

#### ENROLLED BILL AND JOINT RESOLUTIONS SIGNED.

Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled joint resolutions of the following titles, when the Speaker signed the same:

H. J. Res. 334. Joint resolution to amend an act entitled "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," approved July 21, 1914.

H. J. Res. 337. Joint resolution to provide for representation of foreign Governments growing out of existing hostilities in Europe and elsewhere, and for other purposes.

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

S. 1369. An act for the relief of the Snare & Triest Co.

#### EXTENSION OF REMARKS.

Mr. BURKE of Wisconsin. Mr. Speaker, I ask unanimous consent that I may be permitted to extend my remarks in the Record by incorporating two editorials written and published in La Follette's Magazine about a year ago upon the question of the tariff.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to extend his remarks in the Record by printing



certain editorials on the tariff question. Is there objection? [After a pause.] The Chair hears none.

Mr. BAILEY. Mr. Speaker, I have a letter from the president of the National Wholesale Grocers' Association in regard to the prices of foodstuffs which I would like to have placed in the RECORD as an extension of my remarks.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to extend his remarks in the RECORD by having printed a letter touching the high price of living. Is there objection?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, is this the customary resolution which each Member of Congress receives from time to time?

Mr. BAILEY. No, sir; it is a personal letter from the president of the National Wholesale Grocers' Association.

Mr. STAFFORD. Every Member of Congress receives personal letters from various associations, and I do not think we should indulge in the practice of printing such letters which we receive in the regular course of our duties as Members. I think it is a bad practice.

The SPEAKER. Is there objection?

Mr. STAFFORD. I object.

The SPEAKER. The gentleman from Wisconsin objects.

#### ADJOURNMENT.

Mr. BARNHART. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 4 minutes p. m.) the House adjourned to meet to-morrow, Thursday, September 10, 1914, at 12 o'clock noon.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII.

Mr. CURRY, from the Committee on the Merchant Marine and Fisheries, to which was referred the bill (H. R. 17613) authorizing the Commissioner of Navigation to cause the bark *Simla* to be registered as a vessel of the United States, reported the same without amendment, accompanied by a report (No. 1150), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

#### PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MACDONALD: A bill (H. R. 18709) authorizing the Secretary of the Treasury to purchase not to exceed 15,000,000 pounds of copper bullion, and for other purposes; to the Committee on Coinage, Weights, and Measures.

By Mr. ROTHERMEL: A bill (H. R. 18710) to provide a penalty for falsifying the CONGRESSIONAL RECORD; to the Committee on the Judiciary.

By Mr. HOBSON: Joint resolution (H. J. Res. 341) requesting the President to confer with the Governments of the world with a view to issuing a call for the third conference, to be held in San Francisco in 1915; to the Committee on Foreign Affairs.

By Mr. ALEXANDER: Resolution (H. Res. 616) providing for the consideration of H. R. 18666; to the Committee on Rules.

By Mr. LEVER: Resolution (H. Res. 617) for the consideration of S. 6266; to the Committee on Rules.

#### 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. 18711) granting a pension to Winnifred Russell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 18712) granting an increase of pension to Earl W. Soper; to the Committee on Invalid Pensions.

By Mr. CARAWAY: A bill (H. R. 18713) granting a pension to Samuel Lehman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 18714) granting a pension to Sallie A. Price; to the Committee on Invalid Pensions.

Also, a bill (H. R. 18715) granting a pension to Thomas Stubbs; to the Committee on Invalid Pensions.

Also, a bill (H. R. 18716) granting an increase of pension to Harvey H. M. Moore; to the Committee on Invalid Pensions.

By Mr. CLARK of Missouri: A bill (H. R. 18717) granting a pension to Delia Anderson; to the Committee on Invalid Pensions.

By Mr. FIELDS: A bill (H. R. 18718) granting a pension to James Hiles; to the Committee on Invalid Pensions.

Also, a bill (H. R. 18719) granting an increase of pension to Margaret L. Campbell; to the Committee on Pensions.

Also, a bill (H. R. 18720) granting an increase of pension to James W. Herndon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 18721) granting an increase of pension to William K. White; to the Committee on Pensions.

By Mr. HAWLEY: A bill (H. R. 18722) granting a pension to Henry Schroeder; to the Committee on Pensions.

Also, a bill (H. R. 18723) granting an increase of pension to Isabella L. Covell; to the Committee on Invalid Pensions.

By Mr. KEY of Ohio: A bill (H. R. 18724) granting an increase of pension to Frederick Ernest; to the Committee on Pensions.

By Mr. LAFFERTY: A bill (H. R. 18725) granting a pension to Martha S. Becker; to the Committee on Pensions.

By Mr. MACDONALD: A bill (H. R. 18726) granting a pension to David A. Kooker; to the Committee on Pensions.

By Mr. NEELEY of Kansas: A bill (H. R. 18727) granting a pension to James P. Barber; to the Committee on Invalid Pensions.

Also, a bill (H. R. 18728) granting an increase of pension to William Rose; to the Committee on Invalid Pensions.

By Mr. RUPLEY: A bill (H. R. 18729) granting an increase of pension to Sallie E. Mullin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 18730) granting an increase of pension to Susan Dovener; to the Committee on Pensions.

Also, a bill (H. R. 18731) granting an increase of pension to Josiah Fosnot; to the Committee on Invalid Pensions.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. BARTHOLDT: Petitions of Weisert Bros. Tobacco Co., Christian Peper Tobacco Co., and F. R. Rice Mercantile Co., all of St. Louis, Mo., protesting against the proposed increase of internal-revenue taxes on cigars and tobacco; to the Committee on Ways and Means.

By Mr. BAILEY (by request): Petition of sundry voters of Saxton, Pa., favoring national prohibition; to the Committee on Rules.

By Mr. BURKE of Wisconsin: Petition of the Young People's Socialist League, of Sheboygan, Wis., favoring taking over of food supply in this country by the President during the present war in Europe; to the Committee on Interstate and Foreign Commerce.

By Mr. GILLET: Petition of sundry citizens of Massachusetts, favoring one month's armistice of war in Europe; to the Committee on Foreign Affairs.

Also, petition of the Central Labor Union and sundry citizens of Springfield, Mass., favoring passage of a resolution calling for an armistice in Europe; to the Committee on Foreign Affairs.

By Mr. HAMILTON of Michigan: Petition of sundry citizens of Three Rivers, Mich., against increased tax on cigars; to the Committee on Ways and Means.

By Mr. O'HAIR: Petition of sundry citizens of Kankakee, Ill., against an increased tax on cigars; to the Committee on Ways and Means.

By Mr. REILLY of Wisconsin: Petition of various druggists of Fond du Lac, Wis., against levying a tax on patent medicines; to the Committee on Ways and Means.

By Mr. SCULLY: Petition of sundry citizens of New Jersey, favoring national prohibition; to the Committee on Rules.

Also, petition of the New Jersey State Federation of Labor, against national prohibition; to the Committee on Rules.

By Mr. STAFFORD: Petition of 12,000 American citizens of German and Austro-Hungarian parentage, against unfair practices of certain American newspapers in trying to besmirch the character of Germany and Austria-Hungary; to the Committee on Foreign Affairs.

Also, petition of various Milwaukee theater managers, against levying a tax on theater tickets; to the Committee on Ways and Means.

Also, petition of Cigarmakers' Union, No. 25, of Milwaukee, Wis., against any tax on cigars on an ad valorem basis; to the Committee on Ways and Means.

By Mr. VOLLMER: Petition of the Master Sheet Metal Contractors' Association, of Moline and Rock Island, Ill., and Davenport, Iowa, for amendment to House bill 14288, relative to contracts for the erection or alteration of public buildings; to the Committee on Public Buildings and Grounds.

Also, petition of Bristol & Allen and other citizens of Iowa, in support of House bill 5308, to compel mail-order houses to contribute to the development of local communities; to the Committee on Ways and Means.