

By Mr. ESCH: Memorial of the National Industrial Traffic League, relative to regulation of common carriers through the medium of the commerce act; to the Committee on Interstate and Foreign Commerce.

By Mr. FESS: Memorial of citizens of Xenia, Ohio, favoring passage of a bill prohibiting polygamy; to the Committee on the Judiciary.

By Mr. GILMORE: Petition of W. B. Gould, M. W. Gould, F. C. Gould, L. W. Gould, J. E. Gould, H. E. Gould, and E. Gould, of East Dedham, Mass., relative to race segregation laws in the District of Columbia; to the Committee on the District of Columbia.

By Mr. GREENE of Vermont: Memorial of F. J. M. Appleman and 79 others, relative to the freedom of the press; to the Committee on the Post Office and Post Roads.

By Mr. HAYES: Memorial of San Jose (Cal.) Council 879, Knights of Columbus, relative to suppression of the Menace; to the Committee on the Post Office and Post Roads.

Also, petition of faculty and students of the State Normal School and citizens of San Jose, Cal., for world court for arbitration of disputes and securing of international peace; to the Committee on Foreign Affairs.

Also, petition of Catholic Federations of Santa Clara County, Cal., protesting against export of war material; to the Committee on Foreign Affairs.

Also, petition of Chamber of Commerce of Los Angeles, Cal., for investigation of 100,000 acres of land in San Bernardino County, Cal., with view of reclamation of same; to the Committee on the Public Lands.

Also, petition of Local Union No. 507, B. of P. D. and P. of A., San Jose, Cal., favoring passage of H. R. 5139; to the Committee on Reform in the Civil Service.

By Mr. JOHNSON of Washington: Memorial of citizens of Pysht, Wash., favoring an embargo on arms; to the Committee on Foreign Affairs.

By Mr. KENT: Petition of the National Socialist Party, addressed to the President and to the Congress of the United States, containing more than 100,000 names, requesting that the Federal Government "establish in the strategic, industrial, and agricultural centers of the Nation food supply depots and such other facilities as are necessary to maintain a just market for the producers, and for the purchase of food products and for the sale of the necessities of life direct to the people"; to the Committee on Interstate and Foreign Commerce.

By Mr. KETTNER: Petition of citizens of Riverside, Cal., favoring passage of a law for cooperative farm finance; to the Committee on Banking and Currency.

By Mr. LANGHAM: Petition of sundry citizens of Pennsylvania, protesting against the Fitzgerald amendment to the Post Office appropriation bill; to the Committee on the Post Office and Post Roads.

By Mr. MAGUIRE of Nebraska: Petition of sundry citizens of Pleasant Dale, Nebr., relative to embargo on war material; to the Committee on Foreign Affairs.

By Mr. MAHER: Petition of the United Master Butchers of America, recommending that Congress subsidize land for farming and for the purpose of raising live stock; to the Committee on Appropriations.

By Mr. MORIN (by request): Petition of joint legislative committee of Catholic organizations of Pennsylvania, favoring exclusion of the Menace from the mails; to the Committee on the Post Office and Post Roads.

Also (by request), petition of A. L. Ortman, of Pennsylvania, against Fitzgerald amendment to Post Office appropriation bill; to the Committee on the Post Office and Post Roads.

Also (by request), petition of Women's Missionary Society, Second United Presbyterian Church, Pittsburgh, Pa., favoring constitutional amendment prohibiting polygamy in the United States; to the Committee on the Judiciary.

By Mr. SCULLY: Petition of Onarbett Club Arion, Sayerville, N. J.; German Roman Catholic State League of New Jersey; German Roman Catholic Central Verein, New Brunswick, N. J., favoring embargo on war material; to the Committee on Foreign Affairs.

Also, petition of United Master Butchers of America, relative to law to prevent slaughter of any calf weighing less than 150 pounds; to the Committee on Agriculture.

Also, petition of the National Industrial Traffic League, relative to regulation of common carriers through the medium of the commerce act; to the Committee on Interstate and Foreign Commerce.

By Mr. SPARKMAN: Petition of citizens of Florida, favoring embargo on arms; to the Committee on Foreign Affairs.

By Mr. SUMNERS: Petition of sundry citizens of Dallas, Tex., favoring placing an embargo on wheat; to the Committee on Foreign Affairs.

Also, petition of sundry citizens of Dallas, Tex., favoring an embargo on all war material except foodstuffs; to the Committee on Foreign Affairs.

Also, petition of sundry citizens of the State of Texas, protesting against the Fitzgerald amendment to the Post Office appropriation bill; to the Committee on the Post Office and Post Roads.

By Mr. TOWNER: Petition of 170 citizens of Lamoni, Iowa, against Fitzgerald amendment to Post Office appropriation bill; to the Committee on the Post Office and Post Roads.

Also, petition of 54 citizens of Yorktown, Iowa, asking for the passage of a law giving the President power to levy an embargo on material useful in war, excepting foodstuffs, etc.; to the Committee on Foreign Affairs.

SENATE.

THURSDAY, February 18, 1915.

Rev. Robert L. Fultz, of the city of Washington, offered the following prayer:

O God, we devoutly acknowledge Thee to be our sovereign Lord and Master. We rejoice that Thou hast taught us to call Thee Father. As subjects in Thy kingdom, may our wills be wholly dominated by Thy will. As Thy sons, may we imbibe Thy spirit until our obedience shall be the product of an unearthly affection, and our service joyous and fruitful, inspired by the love of God in our hearts. In the name of Thy Son, our Savior. Amen.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

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

| | | | |
|--------------|----------------|--------------|--------------|
| Ashurst | Hitchcock | Norris | Smith, Md. |
| Bankhead | Hollis | O'Gorman | Smith, Mich. |
| Brandeggee | Hughes | Oliver | Smith, S. C. |
| Bryan | James | Overman | Smoot |
| Burleigh | Johnson | Owen | Stephenson |
| Burton | Jones | Page | Sterling |
| Camden | Kenyon | Penrose | Stone |
| Catron | Kern | Perkins | Sutherland |
| Chilton | La Follette | Pittman | Swanson |
| Clark, Wyo. | Lane | Pomerene | Thomas |
| Clarke, Ark. | Lea, Tenn. | Randsell | Tillman |
| Culberson | Lippitt | Reed | Townsend |
| Cummins | Lodge | Robinson | Vardaman |
| Dillingham | McCumber | Root | Warren |
| Fall | McLean | Shafroth | Weeks |
| Fletcher | Martin, Va. | Sheppard | White |
| Gallinger | Martine, N. J. | Sherman | Williams |
| Goff | Myers | Simmons | Works |
| Gronna | Nelson | Smith, Ariz. | |
| Hardwick | Newlands | Smith, Ga. | |

Mr. POMERENE. I was requested to announce that the junior Senator from Delaware [Mr. SAULSBURY] is unavoidably absent, and that he is paired with the junior Senator from Rhode Island [Mr. COLT], without the right of either party to transfer the pair.

Mr. VARDAMAN. I desire to announce the unavoidable absence of the senior Senator from Oregon [Mr. CHAMBERLAIN] on account of illness.

The VICE PRESIDENT. Seventy-eight Senators have answered to the roll call. There is a quorum present. The Secretary will read the Journal of the proceedings of the preceding session.

The Journal of yesterday's proceedings was read.

Mr. BRANDEGEE. Mr. President, there was so much audible conversation in the Chamber I was not sure that I understood the Secretary correctly. I understood him to read from the Journal, in referring to the motion of the Senator from Florida [Mr. FLETCHER], that the Senate disagreed to the House amendments. I simply wish to find out what the Journal does state about it. It is the first reference in the Journal to the motion of the Senator from Florida.

The VICE PRESIDENT. The Secretary will read the part of the Journal referred to.

The Secretary read as follows:

On motion by Mr. FLETCHER, that the Senate disagree to the amendments of the House of Representatives to the said bill, and ask a conference with the House on the disagreeing votes of the two Houses thereon, and that seven conferees on the part of the Senate be appointed by the Vice President.

Mr. LODGE asked for a division of the question.

Mr. BRANDEGEE. That is enough, Mr. President.

The VICE PRESIDENT. If there be no objection or correction, the Journal will stand approved as read.

REGENT OF SMITHSONIAN INSTITUTION.

The VICE PRESIDENT announced the appointment of Mr. STONE a member of the Board of Regents of the Smithsonian Institution for the term beginning March 4, 1915.

DISPOSITION OF USELESS PAPERS.

The VICE PRESIDENT. The Chair lays before the Senate a communication from the Secretary of the Navy, transmitting a list of papers, documents, and so forth, on the files of the Navy Department which are not needed in the transaction of public business and which have no permanent value or historic interest. The communication and accompanying papers will be referred to the Joint Select Committee on the Disposition of Useless Papers in the Executive Departments, and the Chair appoints as the committee on the part of the Senate the Senator from Vermont [Mr. PAGE] and the Senator from Oregon [Mr. LANE]. The Secretary will notify the House of Representatives of the appointment thereof.

FINDINGS OF THE COURT OF CLAIMS (S. DOC. NO. 951).

The VICE PRESIDENT laid before the Senate a communication from the assistant clerk of the Court of Claims, transmitting a certified copy of the findings of fact and conclusion filed by the court in the cause of Sargeant Prentiss Knut, administrator of Haller Nutt v. The United States, which, with the accompanying paper, was referred to the Committee on Claims and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House recedes from its disagreement to the amendment of the Senate No. 36 to the bill (H. R. 20562) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, and agrees to the same.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 19545) 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.

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 20562) 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.

The message also announced that the House had passed the bill (S. 3362) to authorize the Secretary of Commerce, through the Coast and Geodetic Survey and the Bureau of Fisheries, to make a survey of natural oyster beds, bars, and rocks, and barren bottoms contiguous thereto in waters along the coast of and within the State of Texas, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the bill (S. 2335) to provide for the register and enrollment of vessels built in foreign countries when such vessels have been wrecked on the coasts of the United States or her possessions or adjacent waters and salvaged by American citizens and repaired in American shipyards.

The message also transmitted to the Senate resolutions of the House on the life and public services of Hon. Lewis J. Martin, late a Representative from the State of New Jersey.

ENROLLED BILLS SIGNED.

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

S. 4146. An act granting certain lands to school district No. 44, Chelan County, Wash.;

S. 5449. An act to make Pembina, N. Dak., a port through which merchandise may be imported for transportation without appraisement;

H. R. 19376. An act confirming patents heretofore issued to certain Indians in the State of Washington;

H. R. 19545. 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; and

S. J. Res. 187. Joint resolution requesting the President of the United States to invite foreign Governments to participate in the International Congress on Education.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented a memorial of the Legislature of the State of Arizona, which was referred to the Com-

mittee on Fisheries and ordered to be printed in the RECORD, as follows:

Senate memorial No. 3.

To the Congress of the United States of America:

Your memorialists, the Legislature of the State of Arizona, in session assembled, do hereby memorialize and petition your honorable body: That—

Whereas it has been and is the policy and the practice of the Federal Government to aid and assist the several States of the Union in the propagation and cultivation of the food fishes, wherever found practicable; and

Whereas such aid and benefits as have been already given to many of the older States by the Government have not yet been extended to the infant State of Arizona: Now therefore

Your memorialists respectfully pray that the Congress of the United States will enact such legislation and make such appropriation as in its judgment may seem adequate to provide and maintain a Government fish hatchery at some suitable place within the State of Arizona for the purpose of stocking and replenishing the various streams and other bodies of water with food fishes found adaptable to such waters.

The secretary of the senate is hereby directed to forward a copy of this memorial to the United States Senate and to the Speaker of the House of Representatives of the United States, and a copy to Hon. HENRY F. ASHURST and Hon. MARCUS A. SMITH, United States Senators from Arizona, and to Hon. CARL HAYDEN, Representative in Congress from Arizona.

And our Senators and Representatives are earnestly requested to do all in their power to bring about the legislation herein prayed for.

W. P. SIMS,
President of the Senate.
OSCAR COLE,
Secretary of the Senate.

The VICE PRESIDENT presented a telegram transmitting resolutions of the Legislature of the State of California, which was referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

ASSEMBLY CHAMBER,
Sacramento, Cal., February 17, 1915.

HON. THOMAS R. MARSHALL,
President of United States Senate, Washington, D. C.

DEAR SIR: I have the honor to transmit to you and through you to the House of Representatives the following resolution by Mr. Sharkey:

"Whereas the State of California is most splendidly endowed with rivers and harbors, the improvement of which would have a marked effect upon not only the development of this Commonwealth but of the entire United States; and

"Whereas it is highly desirable, if not essential to wise national legislation and appropriation on rivers and harbors, that the congressional Committees on Rivers and Harbors acquire intimate and personal knowledge of conditions and possibilities with respect to California's rivers and harbors: Therefore be it

"Resolved, That the Assembly of the State of California respectfully requests and urges the Congress of the United States to empower and authorize its Rivers and Harbors Committees to visit the State of California with the express purpose of personally inspecting all of its harbors and its navigable rivers; and be it further

"Resolved, That the Rivers and Harbors Committees of Congress be invited, and the invitation is hereby issued, to visit the State of California for such purpose; and be it further

"Resolved, That the speaker of the assembly be authorized to appoint a legislative reception and entertainment committee, to be composed of not less than one member from each congressional district of the State of California to be visited by the Rivers and Harbors Committees of Congress; and be it further

"Resolved, That the president of the senate and the speaker of the assembly, the State engineer, and the chairman of the State board of control be ex officio members of said committee; and be it further

"Resolved, That said legislative reception and entertainment committee be authorized to make all arrangements with respect to the itinerary of the visiting committees of Congress; and be it further

"Resolved, That copies of this resolution be immediately forwarded to the presiding officers of both Houses of the National Congress." Resolution read and, on motion, unanimously adopted. The speaker thereupon named the committee.

I have the honor to remain, respectfully, yours,

L. B. MALLORY,
Chief Clerk Assembly State of California.

The VICE PRESIDENT presented a petition of the Legislature of the State of Arizona, praying for the enactment of legislation providing for the restoration and preservation of the Mission of San Jose de Tumacacori, in Santa Cruz County, in that State, which was referred to the Committee on Public Lands.

He also presented a memorial of the Chamber of Commerce of the United States of America, remonstrating against the enactment of legislation to prohibit the use of stop watches or time-measuring devices, which was ordered to lie on the table.

He also presented a petition of the ministers of the Methodist Episcopal Church of five conferences of that church contiguous to New York City, praying for Federal supervision and censorship of motion-picture films, which was referred to the Committee on Education and Labor.

He also presented a petition of sundry citizens of Atoka, Okla., praying for the enactment of legislation granting a per capita payment to the Choctaw Tribe of Indians, which was referred to the Committee on Indian Affairs.

He also presented a petition of the Public Forum (Inc.), of New York City, N. Y., praying for the authorization of internal improvements to provide work for the unemployed, which was referred to the Committee on Education and Labor.

Mr. LANE. I present a memorial of the Legislature of Oregon, which I ask may be printed in the RECORD and referred to the Committee on Agriculture and Forestry.

There being no objection, the memorial was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

House joint memorial No. 6.

Whereas a large section of the State of Oregon is now infested by wild predatory animals, principally coyotes, which are affected with rabies and are roaming about the country spreading disease and death among live stock of all kinds, also menacing the life of all persons who venture forth upon the highways and the prairies to such an extent that numerous families feel compelled to keep their children away from school; and

Whereas, in order to stimulate the destruction of such animals, the State of Oregon and the several counties of Oregon are expending large amounts of money as bounties in order to put a stop to such great loss of stock and the danger of human life: Be it

Resolved by the Twenty-eighth Legislative Assembly of the State of Oregon, That the National Department of Agriculture be, and it is hereby, memorialized to institute a scientific investigation in the State of Oregon for the purpose of devising ways and means best calculated to eradicate the evil complained of in connection with the officials of this State and those of the counties affected.

Resolved, That the secretary of state be, and he is hereby, instructed to transmit a copy of this memorial to the honorable Secretary of Agriculture, Washington, D. C., and to each Member of the Oregon delegation in both Houses of the National Congress.

Adopted by the house February 1, 1915.

BEN SELLING, *Speaker of the House.*

Adopted by the senate February 3, 1915.

W. LAIR THOMPSON, *President of the Senate.*

(Indorsed): House joint memorial No. 6, W. F. Drager, chief clerk. Filed February 12, 1915, at 9:10 o'clock a. m., Ben W. Olcott, secretary of state, by S. A. Kozier, deputy.

Mr. ASHURST. I present a memorial of the Legislature of the State of Arizona relating to the Mission of San Jose de Tumacacori, in Santa Cruz County, which I ask may be printed in the RECORD.

The memorial was referred to the Committee on Public Lands and ordered to be printed in the RECORD, as follows:

To the Senate and House of Representatives of the United States of America in Congress assembled:

Your memorialist, the Second Legislature of the State of Arizona, respectfully represents:

That there stands on the bank of the Santa Cruz River, in Santa Cruz County, Ariz., the ruins of an ancient Spanish mission which at once affords a quaint and striking illustration of the architecture of a day that is gone and a monument to the surpassing zeal of the vanguards of Southwestern civilization.

That this mission, known as the Mission San Jose de Tumacacori, was founded by the Jesuit priest, missionary, and explorer, Father Eusebio Francisco Kino, between the years 1687 and 1690, and is therefore one of the most ancient ruins of its kind within the boundaries of the United States.

That although the ground, 10 acres in extent, upon which this ruin stands, has been set aside by the Federal Government as a national monument, no provision has been made for restoring the partially decayed walls of the mission or preserving the evidences of architectural and artistic skill which they bear, and meanwhile the structure is subject to the ravages of time, the elements, and the carelessness of passers-by.

That it would be an occasion of the greatest regret to the people of Arizona, and for that matter to all people who revere the memory of those religious pioneers who toiled and suffered and died that civilization and Christianity might live and advance, should this visible sign of their devoted labors be permitted to pass away.

Now, therefore, it is highly desirable that this milestone of civilization be effectually preserved, thus to hold its sacred history the fresher, to paint the beloved memories which cluster about it the brighter, and to offer, through the far from vanished beauty of its venerable walls, telling their eloquent story of love, courage, and patience, instruction and inspiration to the visitor: Therefore be it

Resolved by the Senate and House of Representatives of the Second Legislature of the State of Arizona, That the Congress of the United States be, and it is hereby, urged to enact such legislation as may be necessary to effect the aforesaid object, and to appropriate the sum of \$10,000, or so much thereof as may be necessary, to restore and preserve the historical mission of San Jose de Tumacacori; and be it further

Resolved, That a copy of this memorial and these resolutions be forwarded to the President of the United States, the President of the Senate, the Speaker of the House of Representatives, the honorable Secretary of the Interior, and to the Representatives of Arizona in Congress; and that our Representatives in Congress be, and they are hereby, requested to do all in their power to accomplish the enactment of such legislation.

Passed the house February 8, 1915, by a vote of 31 ayes, 4 excused.

WM. E. BROOKS,
Speaker of the House.

Passed the senate February 11, 1915, by a vote of 18 ayes, 1 no.

W. P. SIMS, *President.*
OSCAR COLE, *Secretary.*
By C. P. CRONIN, *Assistant Secretary.*

Mr. ASHURST presented a petition of sundry citizens of Jerome, Ariz., praying for the enactment of legislation to prohibit the exportation of ammunition, etc., which was referred to the Committee on Foreign Relations.

Mr. JONES. I present a large number of letters and petitions from the citizens of the State of Washington in favor of the passage of the bill prohibiting the export of arms and munitions

of war to belligerent nations, which I move be referred to the Committee on Foreign Relations.

The motion was agreed to.

Mr. SHEPPARD presented petitions of sundry citizens of Bellville and New Braunfels, in the State of Texas, praying for the enactment of legislation to prohibit the exportation of ammunition, etc., which were referred to the Committee on Foreign Relations.

Mr. TOWNSEND presented a petition of sundry citizens of Sault Ste. Marie, Mich., praying for the exclusion of certain matter from the mail, which was referred to the Committee on Post Offices and Post Roads.

He also presented a memorial of sundry citizens of Stephenson, Mich., remonstrating against the exclusion of certain matter from the mail, which was referred to the Committee on Post Offices and Post Roads.

Mr. KENYON. I present a concurrent resolution of the Legislature of Iowa in favor of the passage of the officers' retired list bill, which I ask may be printed in the RECORD and referred to the Committee on Pensions.

The concurrent resolution was referred to the Committee on Pensions and ordered to be printed in the RECORD, as follows:

House concurrent resolution.

Be it resolved by the house (the senate concurring), That the General Assembly of Iowa respectfully petition the Members in Congress of the United States from the State of Iowa that they give their influence and support to the passage of Senate bill 6857 in the Senate of the United States, being an act authorizing the retirement from active service, with increased rank, of officers now on the active list in the Army and who served in the Civil War, and who were honorably discharged therefrom, and who have since served not less than 40 years as a commissioned officer of the Regular Army: Be it further

Resolved, That upon the adoption of this concurrent resolution by the General Assembly of Iowa a copy of same be forwarded to each Member of Congress from this State.

W. I. ATKINSON,
Speaker of the House.

W. L. HARDING,
President of the Senate.

I hereby certify that this concurrent resolution originated in the house.

W. C. RAMSAY,
Chief Clerk of the House.

Introduced February 3, 1915. Adopted February 4, 1915. Messaged to senate February 5, 1915. Adopted by senate February 6, 1915.

Mr. KENYON presented a petition of sundry citizens of Bellevue, Iowa, praying for the adoption of an amendment to the Constitution to prohibit polygamy, which was referred to the Committee on the Judiciary.

Mr. LODGE presented a petition of sundry citizens of Boston, Mass., praying for the enactment of legislation to prohibit the exportation of ammunition, etc., which was referred to the Committee on Foreign Relations.

He also presented memorials of the United Association of Post Office Clerks, of Lawrence and Westfield, in the State of Massachusetts, remonstrating against a change in the present system of promotion of postal clerks, which were referred to the Committee on Post Offices and Post Roads.

Mr. SHERMAN. I present memorials of post-office employees of the city of Chicago and other towns in Illinois relative to the increased pay of clerks in post offices and remonstrating against the contract plan for rural carriers. I ask to have read the two letters marked "A" and "B" and that all the memorials be referred to the Committee on Post Offices and Post Roads.

The memorials were referred to the Committee on Post Offices and Post Roads, and there being no objection the letters referred to were read, as follows:

A.

ILLINOIS RURAL LETTER CARRIERS' ASSOCIATION,
Aurora, Ill., February 15, 1915.

Hon. LAWRENCE Y. SHERMAN,
Senator from Illinois.

MY DEAR MR. SHERMAN: From reading our official paper, which is published at Washington, D. C., and note what it has to say on the subject of the post-office bill, which has been under consideration by the Senate committee, and am very sorry to state that this committee has cut out the increase for the rural-letter carriers, which leaves them the same as before the bill was given any consideration.

The House increased the salary for the carriers, and I hope when this matter comes up for consideration the friends of the carriers in the Senate will do all they can for us, as I feel that we are surely deserving of the increase that was voted us last March and of which only a few got the increase, when it was the intent of you all that every carrier should have 9 per cent increase all along the line.

I hope you will do all you can for the carriers both for the increase and to prevent the contract plan of our Postmaster General from going through, which would be a menace to our service.

Thanking you for the many kind favors in the past and hope you will favor us at this time, with many kind wishes, I am,

Yours, very truly,

FRED. S. PUTNAM,
Illinois State President.

B.
CHICAGO POST OFFICE CLERKS' ASSOCIATION,
Chicago, February 15, 1915.

Hon. L. Y. SHERMAN,
United States Senate, Washington, D. C.

DEAR SIR: The post-office clerks of Chicago protest against the enactment of the proposed Senate committee amendment, on page 14, lines 10 to 20, of the Post Office appropriation bill.

Under existing law it takes approximately six or seven years for a clerk to reach the maximum grade of \$1,200 because of the necessary period of substitution, whereas under the proposed amendment it would take twice the number of years to reach the maximum, which at best is but a living wage for a man who is expected to live and rear his family decently and give his children only the advantage of a fair education.

It is our firm belief that the enactment of this amendment would bring about a most discouraging condition and that many of the best men in the service would be tempted to resign and that the right kind of men would hesitate about entering the service and dedicating their lives to the service and the constant study required on a wage of an unskilled laborer.

We call upon you, sir, as Senator of the great State of Illinois, to do all in your power to prevent the enactment of this amendment, which not only affects so many of the employees, but the efficiency of the service itself.

Assuring you of our deep appreciation of anything you may do,
I am,

Sincerely yours, LOUIS PHILIPP, Jr., President.

Mr. GRONNA. I present a telegram, in the nature of a memorial, from J. A. McElroy, secretary of the Local Branch Association of Post Office Clerks and Carriers, of Grand Forks, N. Dak., remonstrating against the substitution of biennial instead of annual promotions in the service. I ask that the telegram may be printed in the RECORD.

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

GRAND FORKS, N. DAK., February 11, 1915.

A. J. GRONNA,
United States Senate, Washington, D. C.:

Local Branch Association of Post Office Clerks and Carriers ask you to kindly oppose amendment to appropriation bill providing biennial instead of annual promotions. This injures the lowest-paid men in the service.

J. A. McELROY, Secretary.

Mr. GRONNA. I present a telegram from J. E. Cary, of McVie, N. Dak., relative to the grain inspection bill. I ask that it may be printed in the RECORD.

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

McVIE, N. DAK., February 17, 1915.

Senator A. J. GRONNA,
Washington, D. C.:

We approve of the Moss bill for Federal supervision of grain grades, believing the bill will minimize the business risk assumed by the merchandise of grain owing to the uncertainty of grading, as it is now done in different terminal markets. This bill would enable them to handle the grain on smaller margins, which should mean better returns to the producer. With uniform grading in all markets, the producer would know what his grain would grade alike wherever it was shipped, enabling him to sell in the best market, freight figured. We think the Moss bill is more practical and can be operated with less uncertainty than a regular Government inspection bill.

J. E. CARY.

Mr. CATRON. I present two telegrams, in the nature of memorials, from post-office clerks and letter carriers of Albuquerque, N. Mex., which I ask may be printed in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

ALBUQUERQUE, N. MEX., February 17, 1915.

Senator T. B. CATRON,
Washington, D. C.:

Post-office clerks opposed to amendment on page 14 of Post Office appropriation bill which provides for biennial instead of annual promotions.

J. A. GLESNER,
Secretary Post Office Clerks.

ALBUQUERQUE, N. MEX., February 17, 1915.

Hon. T. B. CATRON,
United States Senate, Washington, D. C.:

Please use your influence to defeat that portion of Post Office appropriation bill which provides that carriers in first and second class offices receive promotion biennially instead of annually. This means much to us, as we are now the poorest paid of public employees. Thanks for past favors.

ARTHUR HARNITKAUX,
Secretary Branch 504, National Association Letter Carriers.

Mr. ROOT presented petitions of sundry citizens of New York, praying for the enactment of legislation to prohibit the exportation of ammunition, etc., which were referred to the Committee on Foreign Relations.

He also presented memorials of sundry citizens of New York, remonstrating against the exclusion of certain publications from the mail, which were referred to the Committee on Post Offices and Post Roads.

He also presented memorials of sundry citizens of New York, remonstrating against the passage of the so-called ship-purchase bill, which were ordered to lie on the table.

Mr. DU PONT presented petitions of sundry citizens of Wilmington, Houston, Farmington, Milford, Lincoln City, Greenwood, Camden, and Felton, all in the State of Delaware, praying for the enactment of legislation to prohibit the exportation of ammunition, etc., which were referred to the Committee on Foreign Relations.

Mr. NELSON presented petitions of sundry citizens of Minnesota, praying for the enactment of legislation to prohibit the exportation of ammunition, etc., which were referred to the Committee on Foreign Relations.

He also presented petitions from sundry citizens of Minnesota, praying for the enactment of legislation to exclude certain matter from the mail, which were referred to the Committee on Post Offices and Post Roads.

He also presented a memorial of sundry citizens of Minnesota, remonstrating against the exclusion of certain matter from the mail, which was referred to the Committee on Post Offices and Post Roads.

Mr. BRANDEGEE presented a petition of the Anna Warner Bailey Chapter, Daughters of the American Revolution, of Groton, Conn., praying that an appropriation of \$3,000 be made for the purpose of copying the pension records of the Revolutionary soldiers from Connecticut, on file in the Pension Office Building at Washington, D. C., and placing such copy in the Connecticut State Library, which was referred to the Committee on Appropriations.

Mr. WORKS presented petitions of sundry citizens of Gustine and Oakdale, in the State of California, praying for the enactment of legislation to prohibit the exportation of ammunition, etc., which were referred to the Committee on Foreign Relations.

He also presented a memorial of sundry citizens of San Dimas and Pomona, in the State of California, remonstrating against the exclusion of certain matter from the mail, which was referred to the Committee on Post Offices and Post Roads.

Mr. McLEAN presented petitions of the Deutscher Radfahrer Club Eichenlaub, of New Britain; of Lodge No. 462, D. O. H., of Torrington; of Beethoven Lodge, No. 22, O. D. H. S., of Torrington; of the St. Paul's Evangelical Lutheran Church, of Torrington; of the German-American Alliance of Torrington; and of sundry citizens of Torrington, all in the State of Connecticut, praying for the enactment of legislation to prohibit the exportation of ammunition, etc., which were referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES.

Mr. MARTIN of Virginia. I am directed by the Committee on Appropriations, to which was referred the bill (H. R. 21318) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1916, and for other purposes, to report it with amendments, and I submit a report (No. 1000) thereon.

The VICE PRESIDENT. The bill will be placed on the calendar.

Mr. SWANSON, from the Committee on Naval Affairs, to which was referred the bill (S. 5619) to transfer Capt. Frank E. Evans from the retired to the active list of the Marine Corps, reported it without amendment and submitted a report (No. 1001) thereon.

Mr. SMOOT, from the Committee on Public Lands, to which was referred the bill (S. 6623) in relation to the location, entry, and patenting of lands within the former Uncompahgre Indian Reservation, in the State of Utah, containing gilsonite or other like substances, and for other purposes, reported it with an amendment and submitted a report (No. 1002) thereon.

Mr. SHEPPARD, from the Committee on Commerce, to which was referred the bill (H. R. 18686) to provide for provisional certificates of registry of vessels abroad, and for other purposes, reported it without amendment and submitted a report (No. 1005) thereon.

Mr. NELSON, from the Committee on Commerce, to which was referred the bill (H. R. 20107) to amend sections 4421, 4422, 4423, 4424, and 4498 of the Revised Statutes of the United States and section 12 of the act of May 28, 1908, relating to certificates of inspection of steam vessels, reported it without amendment and submitted a report (No. 1006) thereon.

Mr. JAMES, from the Committee on Claims, to which was referred the bill (H. R. 14197) for the relief of the legal representatives of Mrs. H. G. Lamar, reported it without amendment and submitted a report (No. 1008) thereon.

Mr. MYERS, from the Committee on Public Lands, to which was referred the bill (H. R. 21200) quieting title to a certain tract of land located in the city of Guthrie, Okla., reported it without amendment and submitted a report (No. 1003) thereon.

JOSEPH ELIOT AUSTIN.

Mr. TILLMAN. From the Committee on Naval Affairs I report back favorably with an amendment the bill (H. R. 2642) to authorize the President to reinstate Joseph Eliot Austin as an ensign in the United States Navy, and I submit a report (No. 1010) thereon. I ask unanimous consent for the immediate consideration of the bill.

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

Mr. LODGE. Mr. President, I should like to hear the bill read. Meanwhile I reserve the right to object.

The VICE PRESIDENT. The Secretary will read the bill.

The Secretary read the bill, as follows:

Be it enacted, etc., That the President be, and he is hereby, authorized, by and with the advice and consent of the Senate, to reinstate former Midshipman Joseph Eliot Austin in the United States Navy with the rank of ensign, and, after one year's service as ensign, he shall be promoted to the grade of lieutenant, junior grade, to take rank with and next after Aquilla Gibbs Dibrill, lieutenant, junior grade: *Provided*, That the said Joseph Eliot Austin, after one year's service as ensign, shall establish to the satisfaction of the Secretary of the Navy, by examination pursuant to law, his physical, mental, moral, and professional fitness to perform the duties of lieutenant, junior grade, in the Navy.

Mr. LODGE. This is not one of the "plucking board" cases, is it?

Mr. TILLMAN. No. This is the case of a man who was turned out of the Navy because he got married; that is all.

Mr. LODGE. Then I think the bill ought to be passed.

Mr. GALLINGER. I am in favor of the passage of the bill.

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

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Naval Affairs with an amendment on page 1, line 4, after the word "Senate," to strike out the remainder of the bill and insert:

To appoint Joseph Eliot Austin an ensign in the United States Navy to take rank at the foot of the list: *Provided*, That he shall establish to the satisfaction of the Secretary of the Navy, by examination pursuant to law, his physical, mental, moral, and professional fitness to perform the duties of ensign.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

STEAMBOAT-INSPECTION SERVICE.

Mr. CRAWFORD. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 20281) to provide for the appointment of certain assistant inspectors, Steamboat-Inspection Service, at ports where they are actually performing duty, but to which they are at present detailed, and I submit a report (No. 1007) thereon.

Mr. President, inasmuch as there is on the calendar Senate bill 6782, being Order of Business No. 735, which is identical with the House bill, I ask that the House bill just reported by me be substituted on the calendar for the Senate bill.

The VICE PRESIDENT. Without objection, that action will be taken.

Mr. CRAWFORD. I move that Senate bill 6782, with like title, be postponed indefinitely.

The motion was agreed to.

Mr. FLETCHER. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 20282) to provide for the appointment of 11 supervising inspectors, Steamboat-Inspection Service, in lieu of 10, and I submit a report (No. 1009) thereon. I ask that the House bill be substituted for the Senate bill on the calendar.

The VICE PRESIDENT. Without objection, that action will be taken.

Mr. FLETCHER. I move that Senate bill 6781, with like title, be indefinitely postponed.

The motion was agreed to.

MISSISSIPPI RIVER BRIDGE.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 17907) granting the consent of Congress to the Interstate Bridge & Terminal Co., of Muscatine, Iowa, to build a bridge across the Mississippi River, and I submit a report (No. 1004) thereon. I call the attention of the Senator from Iowa [Mr. KENYON] to the report.

Mr. KENYON. I ask unanimous consent for the present consideration of the bill.

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

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

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

BILLS INTRODUCED.

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

By Mr. LEA of Tennessee:

A bill (S. 7671) granting an increase of pension to William J. Mester; to the Committee on Pensions.

A bill (S. 7672) for the relief of heirs or estate of Jacob Joyner, deceased (with accompanying papers); to the Committee on Claims.

By Mr. SHAFROTH:

A bill (S. 7673) granting an increase of pension to Enoch M. Martin;

A bill (S. 7674) granting an increase of pension to George Osten;

A bill (S. 7675) granting a pension to Almira Graham;

A bill (S. 7676) granting an increase of pension to John Kremmer; and

A bill (S. 7677) granting a pension to Lucy J. Lindsey; to the Committee on Pensions.

By Mr. O'GORMAN:

A bill (S. 7678) granting a pension to Chester B. Goodenough (with accompanying papers); to the Committee on Pensions.

By Mr. REED:

A bill (S. 7679) granting an increase of pension to Andrew Houlihan;

A bill (S. 7680) granting an increase of pension to Samuel S. Householder; and

A bill (S. 7681) granting an increase of pension to James B. H. McDaniel (with accompanying papers); to the Committee on Pensions.

PROPOSED BUDGET SYSTEM.

Mr. KENYON. I introduce a joint resolution and ask that it be read and referred to the Committee on Expenditures in the War Department.

The joint resolution (S. J. Res. 241) creating a commission to prepare a budget system for the Government of the United States, with reference to its appropriations, estimates, and revenues, was read the first time by its title and the second time at length, as follows:

Joint resolution creating a commission to prepare a budget system for the Government of the United States with reference to its appropriations, estimates, and revenues.

Whereas in the report of the Secretary of the Treasury for the fiscal year ended June 30, 1911, is found the following recommendation:

"The impulse toward the development of so much of a responsible budget system as our form of government will permit was very much in evidence a couple of years ago. It, however, has not been sustained and has almost disappeared. I have referred to the matter in my previous annual reports, and feel as strongly as ever that something should be done to organize the divided consideration now given the expenditures of the Government and the interrelation of its income and outgo. The responsibilities relative to estimates, appropriations, and revenues are extremely scattered and disintegrated. The vast sums that pass through the Treasury coming and going are without any centralized study or recommendation such as other countries find it necessary to give to their Government finances." And

Whereas no action has been taken by Congress with reference to such recommendation; and

Whereas the expenditures of the Government are gradually increasing, so that they now reach an enormous sum per annum; and

Whereas various and numerous committees in Congress pass on appropriation bills, and there is no correlation between the various committees nor any system of review of appropriations asked for by the various departments of the Government; and

Whereas there should be substantial cooperation between the executive and legislative departments of the Government with reference to the interrelation of revenues and expenditures; and

Whereas other nations have adopted and put into operation budget systems resulting in great saving to the Government; and

Whereas some new system should be adopted in this Nation covering the question of estimates, appropriations, and revenues of the Government; and

Whereas to map out such a new system will require great study and labor: Therefore be it

Resolved, etc., That a joint commission to undertake the preparation of some budget system for the Government of the United States with reference to its appropriations, estimates, and revenues is hereby established; its membership to consist of the Secretary of the Treasury, three Members of the Senate appointed by the Vice President, three Members of the House appointed by the Speaker of the House, and two economists to be appointed by the President of the United States.

No compensation is to be paid to any member of this commission except to the two appointees of the President, they to receive such compensation as the balance of the commission may determine.

It shall be the duty of said commission to prepare a plan for a budget system for the Government of the United States, and with its recommendations relating thereto to present said plan to Congress on or before the 1st of July, 1916, the said commission to terminate at that time.

To carry out the provisions of the resolution there is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of \$20,000.

Mr. MARTIN of Virginia. Mr. President, I desire to know what disposition of that joint resolution is proposed.

The VICE PRESIDENT. The Senator from Iowa requests that it be referred to the Committee on Expenditures in the War Department.

Mr. MARTIN of Virginia. I can not conceive why that committee should have jurisdiction of a matter of this sort.

Mr. KENYON. I thought that committee would have as much jurisdiction as any other and would not be so busy that it could not take up the matter.

Mr. MARTIN of Virginia. It seems to me that the joint resolution ought to go to the Committee on Appropriations.

Mr. KENYON. I am not certain whether it should go to that committee or to the Committee on Finance or to any of the other committees having jurisdiction of appropriations. I should like to have it go to some committee where there would be some action taken.

Mr. MARTIN of Virginia. Certainly the Committee on Expenditures in the War Department has no peculiar relation to the matter.

Mr. KENYON. It has no peculiar relation to the subject, but that committee is not so busy as some other committees.

Mr. MARTIN of Virginia. I presume that the Senator understands that legislation on this subject is impossible at the present session of Congress.

Mr. KENYON. Yes; I understand that, of course.

Mr. MARTIN of Virginia. So that it is not a very vital matter; but, for the regularity of the proceedings, I simply want to suggest that the joint resolution ought not to go to the Committee on Expenditures in the War Department.

Mr. KENYON. Where does the Senator think it should properly go?

Mr. MARTIN of Virginia. I think it should properly go to the Committee on Appropriations. It deals with appropriations, and it seems to me that committee naturally would have jurisdiction of the subject.

Mr. KENYON. Very well; I will accept the suggestion. I hope the joint resolution may receive some consideration at the hands of the committee.

The VICE PRESIDENT. The joint resolution will be referred to the Committee on Appropriations.

AMENDMENTS TO APPROPRIATION BILLS.

Mr. BANKHEAD submitted an amendment authorizing the President to appoint George W. Littlehales professor in the grade of mathematics of the Navy, etc., intended to be proposed by him to the Naval appropriation bill (H. R. 20975), which was referred to the Committee on Naval Affairs and ordered to be printed.

Mr. LODGE submitted an amendment providing that classified civil service per diem employees of the clerical, drafting, inspection, chemical, messenger, and watch forces at navy yards, naval stations, and other outside offices of the Navy Department be granted 30 days' annual leave with pay, etc., intended to be proposed by him to the Naval appropriation bill (H. R. 20975), which was referred to the Committee on Naval Affairs and ordered to be printed.

THE MERCHANT MARINE.

Mr. GALLINGER. I submit an amendment in the nature of a substitute for section 10 of the bill S. 5259, the ship-purchase bill, which I ask may lie on the table and be printed.

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

Mr. SMITH of Michigan submitted an amendment to the amendments of the House to the bill (S. 5259) to establish one or more United States Navy mail lines between the United States and South America and between the United States and the countries of Europe, which was ordered to lie on the table and be printed.

STOCK-RAISING HOMESTEADS.

Mr. ASHURST. Mr. President—

The VICE PRESIDENT. The Senator from Arizona.

Mr. ASHURST. I ask unanimous consent that the Senate proceed to the consideration—

Mr. LODGE. Mr. President, I ask for the regular order, so that we may finish the morning business.

Mr. ASHURST. I hope the Senator from Massachusetts will wait until I state my request for unanimous consent.

Mr. LODGE. I beg pardon. I thought the Senator was going to move to take up a bill.

Mr. ASHURST. I was going to ask unanimous consent. I was about to say when my friend the Senator from Massachusetts took charge of the affairs of the Senate that I wished to ask unanimous consent for the present consideration of Calendar No. 829, being House bill 15799, to provide for stock-raising homesteads, and for other purposes, which bill, I believe,

passed the House of Representatives unanimously. It was unanimously reported favorably by the Senate Committee on Public Lands; and I ask at this time to submit and have placed in the Record a copy of the House report on the bill. I ask unanimous consent that the Senate proceed to the consideration of the bill.

The VICE PRESIDENT. Is there any objection?

Mr. SMOOT. I object, Mr. President.

The VICE PRESIDENT. Is there any objection to the House report being printed in the Record?

Mr. SMOOT. No; I have no objection to that.

The VICE PRESIDENT. That is ordered, then.

The House report is as follows:

[House Report No. 626, Sixty-third Congress, second session.]

TO PROVIDE FOR STOCK-RAISING HOMESTEADS.

Mr. FERGUSSON, from the Committee on the Public Lands, submitted the following report to accompany H. R. 15799:

The Committee on the Public Lands, to whom was referred the bill (H. R. 15799) to provide for stock-raising homesteads, and for other purposes, having had the same under consideration, beg leave to submit the following report:

The committee unanimously recommend that said bill do pass.

H. R. 9582 and H. R. 10539, on the same general subject, had previously been referred to your committee. H. R. 9582 reads as follows: "A bill to provide for the disposition of grazing lands under the homestead laws, and for other purposes.

"Be it enacted, etc., That from and after the passage of this act it shall be lawful for any person qualified to make entry under the homestead laws of the United States to make a grazing-homestead entry for not exceeding 640 acres of unappropriated public lands, in reasonably compact form: *Provided, however,* That the lands so entered shall either be such lands as theretofore have been designated by the Secretary of the Interior as "grazing-homestead lands" or such lands as shall theretofore have been designated by the Secretary of the Interior as not being, in his opinion, susceptible of successful irrigation at a reasonable cost from any known source of water supply, as provided in section 1 of an act entitled "An act to provide for an enlarged homestead," approved February 19, 1909.

"SEC. 2. That the Secretary of the Interior is hereby authorized, on application or otherwise, to designate lands the surface of which is, in his opinion, chiefly valuable for grazing, which do not contain merchantable timber, and which are not susceptible of irrigation at reasonable expense from any known source of water supply as grazing land subject to entry under this act.

"SEC. 3. That any qualified homestead entryman may make entry under the homestead laws of lands so designated by the Secretary of the Interior, according to legal subdivisions, in areas not exceeding 640 acres, subject to the provisions of this act, and secure title thereto by compliance with the terms of the homestead laws: *Provided,* That in lieu of cultivation, as required by the homestead laws, the entryman shall be required to make permanent improvements upon the lands entered, tending to increase the value of the same for agricultural and stock-raising purposes, of the value of not less than \$1.25 per acre. And the inclosing by a substantial fence of the land so entered and the discovery of water in a well or wells within the boundaries of such entry shall be held to be permanent improvements under the terms of this act.

"SEC. 4. That any homestead entryman of lands of the character herein described, who has not submitted final proof upon his existing entry, shall have the right to enter, subject to the provisions of this act, other lands contiguous to, or within 10 miles of his said homestead entry, which shall not, with the lands so already entered, owned, and occupied by him, exceed the aggregate of 640 acres; and residence continued and improvements made upon the original homestead subsequent to the making of the additional entry, shall be accepted as equivalent to actual residence and improvements made upon the additional land so entered; but the improvements must equal \$1.25 for each acre within the original and additional entries: *Provided,* That persons who have acquired title to lands of the character herein described under the homestead laws and who own and reside upon the lands so acquired, may, subject to the provisions of this act, make additional entry for and obtain patent to public lands, designated for entry under the provisions of this act, contiguous to or within 10 miles of their said original entry, which, together with the area theretofore acquired under the homestead laws, shall not exceed 640 acres, on proof of expenditures on account of permanent improvements upon the original or additional entry of the required amount reckoned on the area of both entries.

"SEC. 5. That any person who has made entry under the homestead laws, but from any cause has lost, forfeited, or abandoned the same, shall be entitled to the benefits of this act as though such former entry had not been made, and any person applying for a homestead under this act shall furnish the description and date of his former entry: *Provided,* That the provisions of this section shall not apply to any person whose former entry was canceled for fraud.

"SEC. 6. That all entries made and patents issued under the provisions of this act shall be subject to and contain a reservation to the United States of all the minerals and coal in the lands so entered and patented, together with the right to prospect for, mine, and remove the same. The mineral and coal deposits in such lands shall be subject to disposal by the United States in accordance with the provisions of the mineral and coal land laws in force at the time of such disposal. Any person qualified to locate and enter mineral or coal deposits, or having the right to mine and remove the same under the laws of the United States, shall have the right at all times to enter upon the lands entered or patented, as provided by this act, for the purpose of prospecting for minerals or coal therein, upon the approval by the Secretary of the Interior of a bond or undertaking to be filed with him as security for the payment of all damages to the crops and improvements on such lands by reason of such prospecting. Any person who has acquired from the United States the mineral or coal deposits in any such land, or the right to mine and remove the same, may reenter and occupy so much of the surface thereof as may be required for all purposes reasonably incident to the mining and removal of the mineral or coal, upon payment of the damages caused thereby to the owner thereof, or upon giving a good and sufficient bond or undertaking to be approved by the court in an action instituted in any competent court to ascertain and fix said damages.

"Sec. 7. That the Secretary of the Interior is hereby authorized to make all necessary rules and regulations in harmony with the provisions and purposes of this act for the purpose of carrying the same into effect."

H. R. 9582 was by this committee referred to the Department of the Interior for examination and report. The report of said department is in the following words:

"DEPARTMENT OF THE INTERIOR,
"Washington, January 30, 1914.

"Hon. SCOTT FERRIS,

"Chairman Committee on the Public Lands,
"House of Representatives.

"Sir: Referring to H. R. 6637 and H. R. 9582, bills designed to modify the homestead laws as to public-land areas to which present laws are deemed not well adapted, I have to advise as follows:

"The existing homestead laws of the United States show an evolution or adaptation to conditions which developed, or were found to exist, as public-land settlement and entry progressed. The general homestead laws carried into sections 2280-2291 of the Revised Statutes, and under which the public lands in the Mississippi Valley and in other portions of the United States where soil, rainfall, and climate justified it were entered, limited the maximum area which might be entered and acquired to 160 acres. In irrigation projects constructed by the United States under the provisions of the act of June 17, 1902 (32 Stat., 388), the area which might be entered was fixed by the Secretary of the Interior through the establishment of farm units, each supposed to be sufficient for the support of a family, and in no case exceeding 160 acres. In other sections of the country, particularly high plateaus of the intermountain States, there are areas which will not produce remunerative crops under the ordinary methods of farming, but which will, through the soil-fallowing and moisture-conservation methods of dry farming, produce profitable crops of wheat and other grains. For this class of lands Congress enacted what are known as the enlarged-homestead laws of February 19, 1909 (35 Stat., 639), and June 17, 1910 (36 Stat., 531), under which not exceeding 320 acres may be entered, upon condition of the cultivation to agricultural crops of a prescribed acreage annually.

"In the sand-hill country of western Nebraska, an area to which none of the laws heretofore described were found adapted, Congress by the act of April 28, 1904 (33 Stat., 547), permitted the entry of not exceeding 640 acres of land, upon condition that entrymen comply with the homestead laws as to residence, improvement, and cultivation, and also place upon the land entered permanent improvements of the value of not less than \$1.25 per acre. The settlement, home-making, and agricultural development which followed the enactment of these laws is well known and need not be here described. There remain, however, as indicated, vast areas of the public lands to which none of the foregoing laws seem well adapted, and I am of opinion that the time has arrived when a new form of homestead law should be enacted peculiarly adapted thereto. The lands I have in mind, because of their arid or semiarid character, or because of their location on mountain tops or sides, will not produce agricultural crops for sale or exportation in sufficient quantities to justify acquisition thereof and residence thereon under the existing laws. They do, however, possess some value for grazing purposes and often include tracts of greater or less extent upon which might be grown forage crops, such as kaffir corn, milo maize, fodder, or other rough feed, of little value for sale and transportation, but valuable for winter feed or for the fattening of range stock. I believe that with this class of lands a homestead of 640 acres of land would enable bona fide home seekers to establish and maintain homes for the purpose of stock raising and for such farming operations as will enable them to raise their own supply of rough feed for the stock pastured upon the remaining lands entered or acquired.

"Therefore, instead of enacting H. R. 6637 and H. R. 9582, I recommend the enactment of a general measure applicable to lands of this character wherever found in the public domain, and I inclose for your consideration and for introduction, if you deem advisable, draft of bill designed to accomplish this result.

"For the protection of the entrymen, as well as to prevent the entry of lands susceptible of irrigation, containing valuable merchantable timber, or principally valuable for purposes other than those expressed in this act, it is provided that lands shall, before being subject to entry, be designated by the Secretary of the Interior. All minerals within the land are reserved to the United States, together with the right of qualified persons to prospect upon, locate, and enter such deposits under such restrictions as will prevent the destruction or injury of permanent improvements of the entrymen or patentees or of crops upon their lands. This provision, like the requirement that the lands shall first be designated for entry, will operate to protect entrymen from protests and contests, either by individuals or the United States, because of character of the land and which would otherwise result in cancellation of entries made. Another reason for the reservation of the minerals is that this law will induce the entry of lands in those mountainous regions of the United States where deposits of minerals are known to exist or are likely to be found. To issue unconditional patents for these comparatively large entries under the homestead laws might withdraw immense areas from prospecting and mineral development and without such reservation the disposition of these lands in the mineral country under agricultural laws would be of doubtful advisability.

"The farmer stockman is not seeking and does not desire the minerals, his experience and efforts being in the line of stock raising and farming, which operations can be carried on without being materially interfered with by the reservation of minerals and the prospecting for a removal of same from the land.

"Because of the fact that the lands designated will be principally valuable for grazing and that the farming operations will be limited to the growing of forage, no specific requirement is made as to cultivation of the land, but instead the entryman is required to place permanent improvements upon the land entered, tending to increase its value for stock-raising purposes, of not less than \$1.25 per acre, one-half thereof to be placed on the land within three years after entry. Those who have already entered lands of this character under existing laws in amounts of less than 640 acres, or who have acquired such limited areas by purchase from others, should, in my opinion, be placed on an equal footing with those who make entry after the passage of this law, and provision has therefore been made for the making of additional entries for contiguous lands by such entrymen or landowners, upon condition that the entryman or landowner is the head of a family or has arrived at the age of 21 years and is a citizen of the United States and resides upon and occupies the land entered or owned by him. In some cases it may not be possible for such entrymen and landowners to exercise the right of additional entry because of the fact that no

vacant lands adjoin. In such cases the bill provides for the surrender of the lands so held and owned to the United States, after which the party so relinquishing or reconveying may make original entry under this act of not exceeding 640 acres of land, upon which he must comply with all the requirements of this act and of the homestead laws.

"This provision will cause an adjustment of holdings in such areas, and the lands so surrendered to the United States may in turn be entered by the entrymen or owners of the adjoining tracts. In this connection, provision is made for the exercise of a preference right of entry within 90 days after the passage of the act by the entryman or owner of adjoining land, and provision made that where vacant lands contiguous to the tracts owned and held by two or more persons entitled to additional entry are not sufficient in amount to enable each to secure the maximum amount to which entitled for an equitable division of the lands applied for among the several entrymen or owners. The purpose of the law being to secure the establishment of permanent homes upon the land entered, the bill provides that the commutation provisions of the homestead laws shall not apply to such entries. A bill introduced in the House of Representatives (H. R. 6637) proposes to provide for a grazing homestead of not less than 640 acres and not exceeding 1,280 acres in area. The bill herewith transmitted is not designed to apply to or provide for the entry of lands suitable only for grazing. The maximum area permitted to be entered thereunder, and even the maximum area prescribed in H. R. 6637, would be wholly insufficient for the support of a homesteader and his family upon lands of that character. As already explained, the measure I have prepared is believed to be adapted to lands which possess a grazing value, which also, in part at least, may be utilized by the homesteader for the raising of forage crops. It would be an exceedingly difficult and expensive task to attempt at this time to classify and designate areas or blocks of land suitable only for grazing and set them apart for disposition in areas sufficient for the support of a family. Existing appropriations and the present force of the department are wholly inadequate for this purpose. It is believed that for the present this classification should be accomplished through the method already described, whereby the lands will be open to disposition under the existing laws and under the bill herein proposed, after which, with the information then before it, Congress may enact such other and additional laws as may be determined to be best adapted to the development and disposition of the remaining areas suitable only for grazing.

"As intimated at the beginning of this letter, I believe that this particular bill will meet a situation not covered by any of the existing land laws and will result in the early development of a very large area of our public lands, which will otherwise remain in an uninhabited and unproductive condition.

"Respectfully,

A. A. JONES,
"First Assistant Secretary."

"A bill to provide for stock-raising homesteads.

"Be it enacted, etc., That from and after the passage of this act it shall be lawful for any person qualified to make entry under the homestead laws of the United States to make a stock-raising homestead entry for not exceeding 640 acres of unappropriated public land in reasonably compact form: *Provided, however,* That the land so entered shall theretofore have been designated by the Secretary of the Interior as 'stock-raising lands.'

"SEC. 2. That the Secretary of the Interior is hereby authorized, on application or otherwise, to designate as subject to entry under this act lands, the surface of which is, in his opinion, chiefly valuable for grazing or raising forage crops, and which, in his opinion, do not contain merchantable timber and are not susceptible of irrigation from any known source of water supply.

"SEC. 3. That any qualified homestead entryman may make entry under the homestead laws of lands so designated by the Secretary of the Interior, according to legal subdivisions, in areas not exceeding 640 acres, and in compact form, so far as may be subject to the provisions of this act, and secure title thereto by compliance with the terms of the homestead laws: *Provided,* That instead of cultivation as required by the homestead laws, the entryman shall be required to make permanent improvements upon the land entered tending to increase the value of the same for stock-raising purposes, of the value of not less than \$1.25 per acre, and at least one-half of such improvements shall be placed upon the land within three years after the date of entry thereof.

"SEC. 4. That any homestead entryman of lands of the character herein described who has not submitted final proof upon his existing entry shall have the right to enter, subject to the provisions of this act, such an amount of contiguous public lands designated under this act as shall not, together with the amount embraced in his original entry, exceed 640 acres, and residence upon and improvements made on the original entry shall be credited on both entries, but the improvements must equal \$1.25 per acre within the original and additional entries.

"SEC. 5. That persons who have submitted final proof or acquired title to lands of the character herein described under the homestead laws, and who own and reside upon the land so acquired, may, subject to the provisions of this act, make additional entry for and obtain patent to contiguous public lands designated for entry under the provisions of this act, which, together with the area theretofore acquired under the homestead law, shall not exceed 640 acres, on proof of expenditure on account of permanent improvements upon the original or additional entry of the required amount reckoned on the area of both entries.

"SEC. 6. That any person who is the head of a family, or who has arrived at the age of 21 years and is a citizen of the United States, who has acquired title to lands of the character herein described, by purchase or under agricultural public-land laws other than the homestead law, and who owns and resides upon the lands so acquired, may, subject to the provisions of this act, make additional entry for and obtain patent to contiguous public lands designated for entry under the provisions of this act, which, together with the area theretofore acquired and held, shall not exceed 640 acres, and obtain patent therefor upon proof of the expenditure on account of permanent improvements upon the land so owned, or the additional entry, of the required amount reckoned on the area of all lands so acquired and held, and upon proof that he has maintained residence upon either the privately owned land or the land embraced within the additional entry for not less than three years from and after the date of the additional entry.

"SEC. 7. That any person who is the head of a family, or who has arrived at the age of 21 years and is a citizen of the United States, who has entered or acquired, under the homestead laws or otherwise,

prior to the passage of this act, less than 640 acres of land, and who is unable to exercise the right of additional entry herein conferred because no vacant lands adjoin the tract so entered or acquired, may, upon submitting proof that he resides upon and has not sold or incumbered the land entered or acquired, reconvey to the United States the land so occupied and entered or acquired, and in lieu thereof enter and acquire title to not exceeding 640 acres of land designated under this act, but must show compliance with all the provisions of the homestead law and of this act respecting the new entry.

"Sec. 8. That the commutation provisions of the homestead laws shall not apply to any entries made under this act.

"Sec. 9. That any person who has made entry under the homestead laws, but from any cause has lost, forfeited, or abandoned the same, shall be entitled to the benefits of this act as though such former entry had not been made, and any person applying for a homestead under this act shall furnish a description of his former entry: *Provided*, That the provisions of this section shall not apply to any person whose former entry was canceled for fraud.

"Sec. 10. That any homestead entryman or landowners who shall be entitled to additional entry under this act shall have for 90 days after the designation under this act of lands contiguous to those entered or owned and occupied by him the preferential right to make additional entry as provided in this act: *Provided*, That where vacant lands contiguous to the lands of two or more entrymen or landowners entitled to additional entries under this section are not sufficient in amount and area to enable such entrymen to secure by additional entry the maximum amounts to which they are entitled, the Secretary of the Interior is authorized to make an equitable division of the lands applied for hereunder among the several entrymen or landowners, applying to exercise preferential rights, such division to be in tracts of not less than 40 acres, and so made as to equalize as nearly as possible the area which such entrymen and landowners will acquire by adding the tracts embraced in additional entries to the lands originally held or owned by them: *Provided further*, That where but one 40-acre tract of vacant land may adjoin the lands of two or more entrymen or landowners entitled to exercise preferential right hereunder, the tract in question may be entered by the person who first submits to the local land office his application to exercise said preferential right.

"Sec. 11. That all entries made and patents issued under the provisions of this act shall be subject to and contain a reservation to the United States of all the coal and other minerals in the lands so entered and patented, together with the right to prospect for, mine, and remove the same. The coal and other mineral deposits in such lands shall be subject to disposal by the United States in accordance with the provisions of the coal and mineral land laws in force at the time of such disposal. Any person qualified to locate and enter the coal or other mineral deposits, or having the right to mine and remove the same under the laws of the United States, shall have the right at all times to enter upon the lands entered or patented, as provided by this act, for the purpose of prospecting for coal or other mineral therein, provided he shall not injure, damage, or destroy the permanent improvements of the entryman or patentee, and shall be liable to and compensate the entryman or patentee for all damages to the crops on such lands by reason of such prospecting. Any person who has acquired from the United States the coal or other mineral deposits in any such land or the right to mine and remove the same, may reenter and occupy so much of the surface thereof as may be required for all purposes reasonably incident to the mining or removal of the coal or other minerals, (1) upon securing the written consent or waiver of the homestead entryman or patentee; (2) upon payment of the damages to crops or other tangible improvements to the owner thereof, where agreement may be had as to the amount thereof; or (3) in lieu of either of the foregoing provisions, upon the execution of a good and sufficient bond or undertaking to the United States for the use and benefit of the entryman or owner of the land, to secure the payment of such damages to the crops or tangible improvements of the entryman or owner, as may be determined and fixed in an action brought upon the bond in a court of competent jurisdiction against the principal and sureties thereon, such bond to be in form and in accordance with rules and regulations prescribed by the Secretary of the Interior and to be filed with and approved by the register and receiver of the local land office of the district wherein the land is situated, subject to appeal to the Commissioner of the General Land Office: *Provided*, That all patents issued for the coal or other mineral deposits herein reserved shall contain appropriate notations declaring them to be subject to the provisions of this act with reference to the disposition, occupancy, and use of the surface of the land.

"Sec. 12. That the Secretary of the Interior is hereby authorized to make all necessary rules and regulations in harmony with the provisions and purposes of this act for the purpose of carrying the same into effect."

The committee thereupon substituted the draft of the bill prepared and recommended by the department and made a part of its said report, by striking out all after the enacting clause of H. R. 9582 and inserting the said draft recommended by the department in lieu thereof. Thereupon hearings were held jointly upon said bills, to wit, H. R. 9582, amended as aforesaid, and H. R. 10539, and the advocates of each bill fully heard. Reference is here made to said hearings, which have been duly printed.

After such hearings and after exhaustive consideration by the committee of said bill H. R. 9582, amended as aforesaid, and the adoption of many amendments, the committee directed the reintroduction of H. R. 9582 as so amended, and the same was reintroduced accordingly and has been printed as H. R. 15799, which reads as follows:

"A bill to provide for stock-raising homesteads, and for other purposes.

"*Be it enacted, etc.*, That from and after the passage of this act it shall be lawful for any person qualified to make entry under the homestead laws of the United States to make a stock-raising homestead entry for not exceeding 640 acres of unappropriated unreserved public land in reasonably compact form: *Provided, however*, That the land so entered shall theretofore have been designated by the Secretary of the Interior as 'stock-raising lands.'

"SEC. 2. That the Secretary of the Interior is hereby authorized, on application or otherwise, to designate as stock-raising lands subject to entry under this act lands the surface of which is, in his opinion, chiefly valuable for grazing and raising forage crops, do not contain merchantable timber, and not susceptible of irrigation from any known source of water supply, and are of such character that 640 acres are reasonably required for the support of a family: *Provided*, That the Secretary of the Interior shall not designate for entry under this act lands of such character that, in his opinion, 640 acres will not support a family.

"SEC. 3. That any qualified homestead entryman may make entry under the homestead laws of lands so designated by the Secretary of

the Interior, according to legal subdivisions, in areas not exceeding 640 acres, and in compact form so far as may be subject to the provisions of this act, and secure title thereto by compliance with the terms of the homestead laws: *Provided*, That instead of cultivation as required by the homestead laws the entryman shall be required to make permanent improvements upon the land entered before final proof is submitted tending to increase the value of the same for stock-raising purposes, of the value of not less than \$1.25 per acre, and at least one-half of such improvements shall be placed upon the land within three years after the date of entry thereof.

"SEC. 4. That any homestead entryman of lands of the character herein described, who has not submitted final proof upon his existing entry, shall have the right to enter, subject to the provisions of this act, such amount of contiguous lands designated for entry under the provisions of this act as shall not, together with the amount embraced in his original entry, exceed 640 acres, and residence upon the original entry shall be credited on both entries, but improvements must be made on the additional entry equal to \$1.25 for each acre thereof.

"SEC. 5. That persons who have submitted final proof upon, or received patent for, lands of the character herein described under the homestead laws, and who own and reside upon the land so acquired, may, subject to the provisions of this act, make additional entry for and obtain patent to contiguous lands designated for entry under the provisions of this act, which, together with the area theretofore acquired under the homestead law, shall not exceed 640 acres, on proof of the expenditure required by this act on account of permanent improvements upon the additional entry.

"SEC. 6. That in the event there are not contiguous lands in area sufficient to complete an entry of 640 acres, as provided for in this act, the entryman or patentee shall have the right to enter within a radius of 10 miles from his first entry, subject to the same requirements as specified for contiguous additional entries, lands in reasonably compact form which have been designated for entry under the provisions of this act, that shall, together with the first entry, not exceed 640 acres: *Provided*, That the entryman shall be required to enter all contiguous areas open to entry prior to the entry of any noncontiguous land.

"SEC. 7. That any person who is the head of a family, or who has arrived at the age of 21 years and is a citizen of the United States, who has entered or acquired under the homestead laws, prior to the passage hereof, lands of the character described in this act, the area of which is less than 640 acres, and who is unable to exercise the right of additional entry herein conferred because no lands subject to entry under this act adjoin the tract so entered or acquired or lie within the 10-mile limit provided for in this act, may, upon submitting proof that he resides upon and has not sold or encumbered the land so entered or acquired, relinquish or reconvey to the United States the land so occupied, entered, or acquired, and in lieu thereof, within the same land-office district, may enter and acquire title to 640 acres of the land subject to entry under this act, but must show compliance with all the provisions of the homestead law and of this act respecting the new entry: *Provided*, That the lands so relinquished or reconveyed as herein provided shall thereafter be subject to disposition only on such terms and under such rules and regulations as the Secretary of the Interior may prescribe.

"SEC. 8. That the commutation provisions of the homestead laws shall not apply to any entries made under this act.

"SEC. 9. That any homestead entryman or patentee who shall be entitled to additional entry under this act shall have, for 30 days after the designation of lands subject to entry under the provisions of this act and contiguous to those entered or owned and occupied by them, the preferential right to make additional entry as provided in this act: *Provided*, That where such lands contiguous to the lands of two or more entrymen or patentees entitled to additional entries under this section are not sufficient in area to enable such entrymen to secure by additional entry the maximum amounts to which they are entitled, the Secretary of the Interior is authorized to make an equitable division of the lands among the several entrymen or patentees, applying to exercise preferential rights, such division to be in tracts of not less than 40 acres, and so made as to equalize as nearly as possible the area which such entrymen and patentees will acquire by adding the tracts embraced in additional entries to the lands originally held or owned by them: *Provided further*, That where but one 40-acre tract of vacant land may adjoin the lands of two or more entrymen or patentees entitled to exercise preferential right hereunder, the tract in question may be entered by the person who first submits to the local land office his application to exercise said preferential right.

"SEC. 10. That any person who has heretofore acquired title to land under any of the homestead laws of the United States and who is the owner and occupant of the land so acquired may purchase from the United States not exceeding 320 acres of stock-raising lands, as designated by this act, or unappropriated and unreserved lands valuable only for grazing contiguous to his said homestead, upon paying to the United States the sum of \$1.25 per acre for such lands, under such rules and regulations as may be prescribed by the Secretary of the Interior, which said land, together with the area theretofore acquired under the homestead laws, shall not exceed 640 acres.

"SEC. 11. That all entries made and patents issued under the provisions of this act shall be subject to and contain a reservation to the United States of all the coal and other minerals in the lands entered and so patented, together with the right to prospect for, mine, and remove the same. The coal and other mineral deposits in such lands shall be subject to disposal by the United States in accordance with the provisions of the coal and mineral lands laws in force at the time of such disposal. Any person qualified to locate and enter the coal or other mineral deposits, or having the right to mine and remove the same under the laws of the United States, shall have the right at all times to enter upon the lands entered or patented, as provided by this act, for the purpose of prospecting for coal or other mineral therein, provided he shall not injure, damage, or destroy the permanent improvements of the entryman or patentee, and shall be liable to and shall compensate the entryman or patentee for all damages to the crops on such lands by reason of such prospecting. Any person who has acquired from the United States the coal or other mineral deposits in any such land, or the right to mine and remove the same, may reenter and occupy so much of the surface thereof as may be required for all purposes reasonably incident to the mining or removal of the coal or other minerals, first, upon securing the written consent or waiver of the homestead entryman or patentee; second, upon payment of the damages to crops or other tangible improvements to the owner thereof, where agreement may be had as to the amount thereof; or, third, in lieu of either of the foregoing provisions, upon the execution of a good and sufficient bond or undertaking to the United States for the use and benefit of the entryman or owner of the land, to secure the

payment of such damages to the crops or tangible improvements of the entryman or owner, as may be determined and fixed in an action brought upon the bond or undertaking in a court of competent jurisdiction against the principal and sureties thereon, such bond or undertaking to be in form and in accordance with rules and regulations prescribed by the Secretary of the Interior and to be filed with and approved by the register and receiver of the local land office of the district wherein the land is situate, subject to appeal to the Commissioner of the General Land Office: *Provided*, That all patents issued for the coal or other mineral deposits herein reserved shall contain appropriate notations declaring them to be subject to the provisions of this act with reference to the disposition, occupancy, and use of the surface of the land.

"SEC. 12. That the Secretary of the Interior is hereby authorized to make all necessary rules and regulations in harmony with the provisions and purposes of this act for the purpose of carrying the same into effect."

H. R. 15799 has been referred by the committee to the Department of the Interior, and there is here inserted the second favorable report, with suggested amendments, of said department upon the general principles embodied in said bill, H. R. 15799:

"DEPARTMENT OF THE INTERIOR,
"OFFICE OF FIRST ASSISTANT SECRETARY,
"Washington, April 24, 1914.

"Hon. SCOTT FERRIS,
"Chairman Committee on the Public Lands,
"House of Representatives.

"MY DEAR MR. FERRIS: I am in receipt of request for report on H. R. 15799, a bill to provide for stock-raising homesteads, and for other purposes.

"As stated in my letter to you of January 30, 1914, I am heartily in favor of legislation which will permit and encourage the settlement and development of public lands to which the present homestead laws are not adapted, but which, under a somewhat more liberal measure, would be settled upon, improved, and developed for the purpose of stock raising. I understand that your committee has fully considered all questions of policy as presented in the above-mentioned bill, and that the same is now referred to this department for report with reference only to the administrative features of the bill. With this assumption I beg to submit for your consideration the following:

"1. As a part of section 2 it is provided 'that the Secretary of the Interior shall not designate for entry under this act lands of such character that in his opinion 640 acres will not support a family.' The two negatives used in this proviso would be construed to imply that the Secretary of the Interior shall only designate land of such character that in his opinion 640 acres will support a family. This language practically imposes upon the Government the responsibility of assuring an intending settler that he can support his family upon a designated 640 acres of land. I suggest, therefore, for your consideration in connection with this proviso the following:

"(a) If the proviso were entirely eliminated, the administration of the act would be comparatively simple and inexpensive, and upon the settler alone would be placed the responsibility of ascertaining whether or not 640 acres of land classified under the act would be sufficient for his purposes.

"(b) The classification contemplated by this proviso would involve undue labor and expense.

"If, however, your committee believes some limitation to be essential, I respectfully suggest for your consideration a substitute proviso, as follows:

"*Provided*, That the Secretary of the Interior shall not designate for entry under this act land of which, owing to its general character or general conditions, in his opinion, 640 acres clearly will not support a family."

"2. Line 24, page 4, section 7, requires the entryman described in section 7 to show compliance 'with all the provisions of the homestead law and of this act respecting the new entry.' Section 3 of the bill requires all entrymen who secure lands under this act to show compliance with the terms of the homestead law, but this is modified by a proviso which permits the making of improvements of a certain character and value in lieu of cultivation. The clause described in line 24 of section 7 would, in my opinion, require an entryman under this act who falls within the purview of section 7 to not only comply with the provisions of this act, but also to cultivate his land to the extent and in the manner prescribed by the general homestead laws. Evidently this is not the intent, and I therefore suggest that the words 'of the homestead law and' be stricken from line 24, so that same as amended will read 'with all the provisions of this act.' As so amended this will make operative and applicable the general homestead laws as modified by the terms of the proviso to section 3.

"Very truly, yours,

A. A. JONES,
"First Assistant Secretary."

The object of H. R. 9582, as well as of the substitute prepared by the Department of the Interior for H. R. 9582, and of H. R. 15799 is to restore and improve the grazing capacity, and therefore the stock-raising and meat-producing capacity, of the semiarid lands of the West, and at the same time to furnish homes thereon to the people.

It appears in the hearings, in the statements of officials of both the Department of the Interior and the Department of Agriculture, that there remain of unappropriated public lands in the semiarid States, exclusive of Indian, forest, military, park, and other reservations, the enormous total, in round numbers, of 330,000,000 acres. It also appears that the area of public lands in said States now included in forest reservations alone amounts, in round numbers, to 165,000,000 acres.

The problem confronting the statesmanship of this day is just as great as that met by the statesmen of that early day when originated the homestead system, ever since adhered to, of making the prime object, in disposing of the public domain, the furnishing of homes for the people.

Two plans for legislating as to the future use or disposal of this semiarid domain were before your committee, the one embodied in H. R. 9582 and the other in H. R. 10539. These bills were heard together and the advocates of each plan fully heard.

The testimony of the advocates of said bills generally agreed upon this proposition, to wit, that free grazing upon the public lands in the semiarid States has depleted the range and reduced the carrying capacity of such lands from one-third to one-half; and both sets of advocates agreed also that further legislation is necessary and needed now to stop further destructive use of such lands and secure for the future their highest use to our civilization.

Looking to this end, H. R. 10539 proposes a system of leasing the remaining public domain of the semiarid States, amounting to about

330,000,000 acres, while H. R. 9582, now H. R. 15799, proposes to accomplish the same end by a system of stock-raising homesteads, giving to each settler a home on such lands with sufficient acreage to support his family by combining forage farming with stock raising.

The hearings establish the fact that on the lands under consideration homesteads of 160 or of 320 acres each are not sufficient to support a family, and that at least 640 acres are necessary to each stock-raising homesteader.

The committee does not hesitate, as far as may be practicable, to adhere to the time-honored plan of using the public domain to furnish homes to the citizens of our country. The fact that the State of Iowa, where 160 acres proved sufficient to support, even to enrich, an industrious citizen, is in the front rank as a producer of agricultural products, and, at the same time, is near the front in the production of beef and mutton and dairy products, shows that farming and stock raising may be successfully combined on the same homestead, and the printed hearings on H. R. 9582 are replete with statements by many citizens of large experience on these semiarid lands that by combining the farming of dry-land forage crops and the raising of cattle or sheep 640 acres will support a family. Mr. I. S. Bartlett, of Cheyenne, Wyo., in his statement beginning at page 316 of the hearings, uses these words:

"A grazing-homestead bill giving 640 acres, or even 2 sections, to each settler would soon add 200 per cent to the live-stock production of the public-land States and solve the beef problem for the next half century. Not only that, it would break down the high prices of beef, pork, and mutton, as well as dairy products.

"Better than all, it would settle up the vast area of waste lands in the Nation with a hardy, intelligent, and progressive American citizen-ship.

"Think for a moment what our desert or grass ranges will produce, situated, as they are, in an environment of mountains and plains and flooded with sunshine.

"Here are some purely range products: Cattle, sheep, horses, hogs, goats, hides, wool, butter, cheese, milk and dairy products, poultry, and eggs. All these can be produced in our native grass regions without any plowing or land cultivation.

"The irrigated and dry farms in the same section will supplement all the needed fattening and forage crops, and both the farming and stock-raising interests will be mutually and correspondingly benefited.

"The range homestead proposition can be easily worked out. Instead of the requirements of plowing up the land and crop cultivation, the law should require expenditure for sinking wells, the building of sheds and corrals, the possession of a certain number of animals, etc. The residence requirements should be the same as in other homestead acts.

"In nearly every section of the grass ranges water can be found at depths varying from 20 to 500 feet. In many cases artesian water and flowing wells are obtained, giving a sufficient supply of water for irrigating many acres and raising fine crops. With the passage of a grazing homestead bill the so-called desert lands would be penetrated with wells and the whole landscape dotted with windmills and improvements in the form of houses, barns, corrals, and fences.

"In a very few years a wonderful transformation scene would be enacted in the vast cattle ranges of the West, now practically uninhabited by settlers. That this is no dream has already been demonstrated by the results of the Kinkead 640-acre homestead act, which applied to the desert wastes of western Nebraska. That entire section is now settled up with a high class of prosperous and successful farmers. Five million acres of arid lands have been reclaimed there, and the wave of incoming settlers has overflowed into Wyoming in the search for dry-farming lands.

"Even under the late repressive land administration the Commissioner of the General Land Office advocated the 640-acre homestead for the semiarid West, and in so doing stated that 'the largest part of the unappropriated public domain would never pass to private ownership under smaller allotments.'

"Local bills are good enough so far as they go, but the whole subject should be treated from a national point of view and a bill passed applicable to all the States having public lands."

Representative KINKAID, referred to by Mr. BARTLETT, appeared before this committee, and his statement appears in the hearings, beginning at page 334.

This plan of providing homes is best for the Nation, as a whole, because it tends to increase the supply and at the same time to lower the price of meat, a universal necessity, especially to the laboring classes; and because it affords an outlet to the congested civic and labor centers of our population without driving home seekers to take advantage of the liberal land laws of Canada. Moreover, the Nation as a unit needs more States like, for instance, Kansas and Iowa, where each citizen is the sovereign of a portion of the soil, the owner of his home and not tenant of some, perhaps distant, landlord, a builder of schools and churches, a voluntary payer of taxes for the support of his local government.

Of course, the homestead plan is best for the individual States of the semiarid West. It takes homes to insure permanent settlers and taxpayers; it takes homes to bring schools and churches; it takes homes to build cities and towns that attract and support laborers and mechanics; population invites railroads, which in turn bring more immigration and capital to develop the barely touched resources of this great semiarid West.

This subject has been under consideration in previous Congresses. In the Fifty-eighth Congress, third session, a bill creating a 640-acre homestead for a portion of the State of South Dakota was reported favorably (Rept. No. 4013), and from said report we quote from the President's message to Congress at the beginning of the second session of the Fifty-seventh Congress, as follows:

"Moreover, the approaching exhaustion of the public ranges has of late led to much discussion as to the best manner of using these public lands in the West which are suitable chiefly or only for grazing. The sound and steady development of the West depends upon the building up of homes therein. Much of our prosperity as a nation has been due to the operation of the homestead law. On the other hand, we should recognize the fact that in the grazing region the man who corresponds to the homesteader may be unable to settle permanently if only allowed to use the same amount of pasture land that his brother, the homesteader, is allowed to use of arable land. One hundred and sixty acres of fairly rich and well-watered soil, or a much smaller amount of irrigated land, may keep a family in plenty, whereas no one could get a living from 160 acres of dry pasture land capable of supporting at the outside only 1 head of cattle to every 10 acres."

We quote further from the same report, as follows:

"Hon. Charles D. Walcott, present Director of the United States Geological Survey, in a communication to the Secretary of the Interior

concerning the Kinkaid bill, which became a law at the last session of this Congress, said in part as follows:

"The central idea of this bill is that of enlarging the area of homestead entry to suit the conditions of the semiarid West. There is general recognition of the fact that the present land laws, designed for the humid region, are not applicable to the arid region. Attention has been called to this matter many times by various individuals, and in particular by the writings of Maj. J. W. Powell, the former Director of this Survey, who devoted much of his life to the exploration and study of the West. In his report prepared in 1878, entitled 'Lands of the Arid Region,' Maj. Powell suggests that the farm unit where water is scanty should be not less than 4 square miles, the divisions of such farms being controlled by topographic features.

"The arbitrary limit stated by the present land laws of 160 acres for a homestead does not suit existing conditions in the arid regions. If the water supply is ample, 160 acres is usually far too much, and would support two, three, or four families. On the other hand, throughout 90 to 95 per cent of the vast extent of remaining public land 160 acres is so small as to be useless for a homestead.

"No general rule as to what shall constitute a homestead can be laid down. In order to determine this matter local knowledge must be had and exercised in the same manner as it is under the reclamation projects. The question is one largely of altitude, climate, and water supply rather than extent of land.

"After cutting out the irrigable lands there are left great areas where it is known that water can not be had in any considerable amount and where the homestead area must be very large to furnish support for a family. In short, it is practicable after eliminating the irrigable land for the Geological Survey, through its organic act and through the Reclamation Service, to classify the remaining public land and obtain information upon which to base the disposal of these lands to actual settlers in tracts sufficient for the support of a family.

"Under the operation of the present laws the securing of a tract of land large enough to support a family in the arid region is a cumbersome and expensive process. The nucleus of the home farm may be a 160-acre tract, which the law allows as a homestead.

"All persons admit that this nucleus is only the first step, and that the man who actually desires to make a home there by stock farming must proceed to resort to various expedients to secure control of additional land in order to support himself. To do this requires either capital to purchase the lands of other homesteaders or the stock farmer must secure some form of title through the desert-land law, timber and stone act, etc. In the majority of cases the practices absolutely necessary to secure an adequate area are open to the charge of fraud or collusion. It should not be necessary for a man desiring a homestead upon vacant public land to resort to indirect or possibly fraudulent means. On the contrary, he should be allowed and encouraged to take up as much land as he actually needs and be given every facility for so doing.

"The development of the arid West has reached a point where it is now possible to see the ultimate character of settlement and utilization of the land. Where, as above stated, water can be had, the irrigable lands may be cultivated in the most intensive fashion. With favorable climatic conditions several crops a year will be raised, and a 40-acre farm will more than furnish support for a family. The average size of an irrigated farm in Utah is, for example, less than 30 acres.

"Assuming that there are 600,000,000 acres in the arid and semiarid West, not to exceed 10 per cent of this, or 60,000,000 acres, will be utilized for irrigation. Most of the remainder is useful for stock-raising purposes, a portion being devoted to forest reserves, within which grazing may be largely permitted. In round numbers, 500,000,000 acres of land will have its highest use in the raising of cattle and sheep. Most of this is still in public ownership, and it is for the interest of the Nation to have the land subdivided into the smallest tracts which will support a family and have these pass gradually into private ownership, so that the land may in time bear its share of taxation."

A BRIEF REVIEW OF THE BILL BY SECTIONS.

The reasons for sections 1 and 2 of the bill hereby reported are obvious from the reading of them.

Section 3 contains a change in the proviso thereof in existing homestead laws, in that under this bill, H. R. 15799, in lieu of cultivation of a portion of his entry the entryman is required to make permanent improvements upon the land entered tending to increase the value of the same for stock-raising purposes, of the value of not less than \$1.25 per acre, one-half of such improvements to be made within three years after the date of entry.

The object of the law-making power in requiring a certain amount of cultivation of the land by the entryman in homestead laws when farming was the prime object was, first, to insure good faith on the part of the entryman; and, second, to require the entryman to show that good faith by doing something, at his own expense, of value to the land, tending to improve it for farming purposes. Moreover, the statements in the hearings show that the efforts of entrymen under the 320-acre homestead law to comply with the requirements as to plowing a certain number of acres each year simply destroyed so much valuable sod by turning it up to the sun and killing the roots of the native grasses. So under section 3 the entryman may show his good faith by improving his land by sinking wells, building fences, silos, and such things as will improve his entry for stock-raising purposes.

Section 4: This section is for the relief and equitable treatment of entrymen who entered homesteads under the 160 and 320 acre homestead acts upon lands chiefly valuable for grazing, and who afterwards found, by costly experience, that farming was impossible on small tracts of such lands. The hearings show that many of them have held on and eked out their existence by grazing a few head of stock on the unentered public lands near enough for grazing purposes to their respective small homesteads. But upon the enactment of a 640-acre homestead law such near-by public lands will soon be taken up by other entrymen of 640-acre tracts. Thus the already impoverished pioneer would be condemned to final extinction, as he could not live by farming, and would be deprived of the use of public lands for grazing. Section 4 therefore provides that entrymen of tracts of 320 acres or less on lands subsequently made subject to the 640-acre homestead, who have not submitted final proof upon their said prior entries, shall have the right to enter upon other such lands of like character contiguous to their said prior entries as shall not exceed, together with their said prior entries, 640 acres in each case; but residence upon the original entry shall be credited upon both entries, and the expenditure of \$1.25 per acre must be made on the additional entry in each case.

Section 5: While section 4, just explained, relates to entrymen who have not submitted final proof on such prior entry, section 5 extends the same right of contiguous entry, up to a total of 640 acres, to such entrymen as have submitted final proof or received patent on such original entries, but the expenditure for permanent improvements must be made upon the additional entries.

Section 6: While sections 4 and 5, just described, relate only to lands contiguous to the original entry, section 6 is for the relief of such entrymen on lands of the character herein described, in tracts of 320 acres or less, as have entries entirely surrounded by other entries, and contiguous to whose respective entries, therefore, no public lands are to be found subject to entry. For the relief of such entrymen, therefore, any entryman of lands of the character herein described is given the right in section 6 to make an additional entry of sufficient land to make, with the amount of his original entry or patent, 640 acres, within 10 miles of his said original entry. This is subject, however, to the same requirements as other additional entries, and the entryman must exhaust all contiguous land subject to additional entry before availing himself of noncontiguous land.

Section 7: This section is proposed for the relief of such entrymen of the lands of the character herein described, in amounts of 320 acres or less, as are unable to exercise the right of additional entry herein conferred, because no lands subject to entry under this bill are contiguous to his said original entry or lie within the 10-mile limit of his original entry. If such entryman is the head of a family or 21 years of age and a citizen of the United States, and first submits proof that he resides upon and has not sold or encumbered the land as occupied, entered, or acquired, he may relinquish or reconvey to the United States the land so entered, occupied, or acquired, and in lieu thereof, within the same land-office district, he may enter and acquire 640 acres of land subject to entry under this bill; and he must also show compliance with all the provisions of the homestead laws and of this bill, as if an original entryman under this act, provided that the lands so relinquished or reconveyed, as herein provided, shall thereafter be subject to disposition by the United States only on such terms and under such rules and regulations as the Secretary of the Interior may prescribe. This proviso is intended to serve a double purpose—to prevent speculation in relinquishments and to empower the Secretary of the Interior to see that justice is done the prior owner in the matter of any improvements on the relinquished land that the prior owner may have left on his said original entry.

Section 8: This section forbids the application of the commutation provision of the homestead laws to entries under this act.

Section 9: This section gives a preference right of 30 days to a prior entryman to enter lands contiguous to his said original entry, with a provision for an equitable apportionment of contiguous lands between two or more prior entrymen who may each desire to enter the same lands as contiguous to their respective prior entries.

Section 10: This section extends the right of an entryman under any existing homestead law to acquire, by direct purchase from the Government, at the rate of \$1.25 per acre, public land of the character herein described, contiguous to his original entry, in amount sufficient to make, with his original entry, not more than 640 acres. It appeared to your committee that many homesteaders have entered small tracts of land, even as small tracts as 40 acres each, in the canyons in mountainous districts, surrounding small springs of water sufficient to water a few head of stock and perhaps irrigate gardens in the bed of the canyon, and have used the public lands and mountain slopes adjoining for grazing purposes. Your committee would allow such small stockman to supplement his original entry by purchase, as set out in section 10, but only of contiguous lands of the character herein described, and under such rules and regulations as may be prescribed by the Secretary of the Interior.

Section 11: It appeared to your committee that many hundreds of thousands of acres of the lands of the character designated under this bill contain coal and other minerals, the surface of which is valuable for stock-raising purposes. The purpose of section 11 is to limit the operation of this bill strictly to the surface of the lands described and to reserve to the United States the ownership and right to dispose of all minerals underlying the surface thereof. This section also provides a method for joint use of the surface of the land by the entryman of the surface thereof and the person who shall acquire from the United States the right to prospect, enter, extract, and remove all minerals that may underlie such lands, this method to be under the direction of the Secretary of the Interior under such rules and regulations as he may prescribe.

A. J. G. KANE.

Mr. O'GORMAN. In the second session of the Sixty-second Congress I introduced a bill, being Senate bill 5497, for the relief of A. J. G. Kane, and which was referred to the Committee on Military Affairs. I find that the relief sought can be procured in another way, and I ask for the adoption of the following order:

The order was read and agreed to, as follows:

Ordered, That the papers in the case of A. J. G. Kane, Senate 5497, Sixty-second Congress, second session, be withdrawn from the Senate files, no adverse report having been made thereon.

NOTE FROM THE BRITISH GOVERNMENT.

Mr. LODGE. I submit a resolution, for which I ask present consideration. I will state, by way of explanation, that the document I am asking for was partially printed in the press this morning. It has been given in full to the press, and I think we ought to have a copy of it here.

The VICE PRESIDENT. The Secretary will read the resolution.

The resolution (S. Res. 548) was read, as follows:

Resolved, That the President be, and he is hereby, requested, if not incompatible with the public interest, to send to the Senate the note received from the British Government dated February 10, 1915.

The VICE PRESIDENT. The question is on agreeing to the resolution.

Mr. STONE. What is the resolution, Mr. President?

The VICE PRESIDENT. It has just been read.

Mr. LODGE. It is a request to have sent to the Senate a copy of the note from the British Government which was pub-

lished in the papers this morning. It was given in full at the State Department in print to the newspaper press, which has partially printed it. I think we would all like to have a full copy of it.

Mr. STONE. I should like to have the resolution read.

The VICE PRESIDENT. The Secretary will read the resolution.

The Secretary again read the resolution.

Mr. LODGE. That is the note printed in part in the Post this morning.

Mr. STONE. Yes; I saw that.

Mr. LODGE. And it was given in full in print to the newspapers—in type. They have offered to furnish Senators with that copy, and I do not see why the Senate should not have it.

Mr. STONE. Although one or two Senators have suggested that the resolution should be referred to the Committee on Foreign Relations, I am very frank to say, so far as I am concerned, that personally I do not see any objection to agreeing to it. I make no objection, so far as I am concerned.

The VICE PRESIDENT. The question is on agreeing to the resolution.

The resolution was agreed to.

WAGES ON AMERICAN VESSELS.

Mr. GALLINGER. Mr. President, perhaps I ought to have submitted the matter I am about to submit under another order, but on yesterday I presented some replies from steamship companies as to the rate of wages paid on the ships that came under the new registry. I desire to submit a letter from Barber & Co., steamship agents, of New York, and ask that the first part of it be printed in the RECORD.

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

The matter referred to is as follows:

NEW YORK, February 17, 1915.

HON. J. H. GALLINGER,
United States Senate, Washington, D. C.

DEAR SIR: We acknowledge receipt of yours of February 10 inquiring as to whether foreign-built ships which have been admitted to American register cost more to operate than under the British flag, and in reply would advise you that as far as we know the only increase at the present time in operating expenses under the American flag is on account of the increase in wages.

The following is a list of wages that was paid to a lascar crew, with British officers in command, also showing the wages which we pay to the officers and men under the American register:

| Crew. | American, per month. | British, per month. |
|------------------------------------|----------------------|---------------------|
| Master..... | \$200.00 | \$160.00 |
| Chief officer..... | 100.00 | 75.00 |
| Second officer..... | 70.00 | 54.00 |
| Third officer..... | 60.00 | 44.00 |
| Carpenter..... | 40.00 | 20.00 |
| Boatswain..... | 40.00 | 17.00 |
| Sailors..... | 28.00 | 8.00 |
| Chief engineer..... | 150.00 | 112.00 |
| First refrigerating engineer..... | 110.00 | |
| First assistant engineer..... | 100.00 | 73.00 |
| Second assistant engineer..... | 90.00 | 49.00 |
| Second refrigerating engineer..... | 85.00 | |
| Third assistant engineer..... | 80.00 | 39.00 |
| Oilers..... | 35.00 | |
| Donkeymen..... | 35.00 | 11.50 |
| Firemen..... | 32.00 | 9.25 |
| Coal passers..... | 28.00 | |
| Chief steward..... | 50.00 | 22.68 |
| Second steward..... | 30.00 | 9.63 |
| Assistant steward..... | 22.00 | |
| Chief cook..... | 50.00 | 17.00 |
| Second cook..... | 30.00 | 8.50 |
| Mess boy..... | 25.00 | |

* And bonus \$10

Yours, truly,

BARBER & CO. (INC.).

THE MERCHANT MARINE.

Mr. FLETCHER. Mr. President, I have here a clipping from the Philadelphia Public Ledger of February 18 which reads in this way:

SHORTAGE OF SHIPS SENDS WATER RATES TO NEW HIGH MARK—AMERICAN BUSINESS OPPORTUNITIES AFFECTED BY LACK OF VESSELS AND EXORBITANT TARIFFS.

Business opportunities are being lost to America because of the scarcity of vessels, said several steamship men yesterday. According to these men there is the greatest shortage of tonnage ever known, and the only reason that there is not a congestion at this port is because shippers in the interior are not forwarding their goods for shipment until they have obtained cargo space. Most of the regular lines, it was said yesterday, have all of their vessels booked up until the last of March, and many of them into the middle of April.

Although many of them admitted that they were turning down business because of the lack of vessels, some were opposed to the ship-purchase bill. Walter F. Hagar, one of the best-informed shipping men in this city, said that there was such a lack of vessels that it was impossible to get steamships.

According to Mr. Hagar, shippers are compelled to charter schooners at exorbitant rates because of the lack of steamships. Some schooners, he asserted, had been chartered to carry ore at high rates, a thing almost unheard of in recent years. "Usually boats are offering for freights, but now the case is reversed and it is impossible to get carriers," he continued. Mr. Hagar declared that 15s. had recently been paid for a grain cargo to Denmark, which is the highest rate ever paid for freight of that class.

Shipping men realize the gravity of the situation, he said, and that one vessel had recently been chartered as far ahead as March 1, 1916, for a period of 18 months at 8s., which is about twice as high as the rate that was being paid six months ago. He also said that the steamship *Thelma* had recently been chartered to carry sugar at 32 cents. Six months ago this vessel was carrying sugar at 8½ cents, or about one-fourth of the present rate.

ADDRESS BY SECRETARY M'ADOO (S. DOC. NO. 950).

Mr. FLETCHER. Mr. President, I ask to have printed as a public document the address of Secretary McAdoo before the Chamber of Commerce of the United States, heretofore printed in the RECORD of February 16, in which form it is not available for public distribution.

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

ADDRESS BY SENATOR BURTON (S. DOC. NO. 949).

Mr. GALLINGER. Mr. President, we have been very liberal in publishing the utterances of Secretary McAdoo. They have gone into the RECORD, and we now propose to print one of his addresses as a public document. I ask unanimous consent that the address of the Senator from Ohio [Mr. BURTON] delivered before the Chamber of Commerce of the United States be likewise printed in the RECORD and also as a public document.

Mr. FLETCHER. I have no objection to that.

The VICE PRESIDENT. Is there objection to the request of the Senator from New Hampshire? The Chair hears none, and it is agreed to.

The address is as follows:

THE OPPOSITION AND THE SHIPPING BILL.

[Address by Hon. THEODORE E. BURTON, United States Senator from Ohio.]

"I congratulate you on your organization and its aims. Ten years ago I addressed a somewhat similar gathering, intended to be national in its scope, and foretold for them a field of usefulness far and away beyond that of any local organization. This body represents the United States. No pent-up Utica restrains your activities, but a whole boundless continent is yours, and in the ramifications of your work you seek to put Paris and Berlin and London and Hongkong on the map alongside of New York and Chicago. I trust that you may succeed in enlarging the trade of the United States and that your aims in every line, commercially and industrially, may also join with civic activities in which you will give a wholesome stimulus to our political life; for in this age no man can be a business man alone; he must keep in touch with the great movements of humanity which are so powerful in this day.

"First of all, is this policy to be permanent or is it to be temporary? If it is to be temporary, one set of reasons would apply. If it is to be permanent, an entirely different set of questions are raised. I want to read very briefly some of the varying statements on that subject.

"In the report filed by the chairman of the House committee, Mr. ALEXANDER, is this language:

"While we need merchant ships to meet the present emergency, let us pursue a policy that will secure them to us after the present conflict in Europe is past.

"In an address at Boston on the 5th of January he said:

"The Government ownership bill is spoken of as an emergency measure. It should not be so called. European Governments have in the past laid the foundation for their merchant marine by Government protection.

THE FLETCHER BILL.

"I might read divers other expressions to the same effect. Now let us listen to a different note. Senator FLETCHER in bringing forward this bill in the United States Senate on the 4th of January, one day before the speech from which I have read an extract, said:

"Without going further into the details of this bill, I assure the Senate in the first place, and the country, that it is not a permanent business undertaking on the part of the Government that is intended here.

"And the language of the President, as used in his message in December, would seem to point in the same direction:

"It is not a question of the Government monopolizing the field. It should take action to make it certain that transportation at reasonable rates will be promptly provided, even where the carriage is not at first profitable, and then when the carriage has become sufficiently profitable to attract and engage private capital and engage it in abundance, the Government ought to withdraw.

"Now, there you have those two sides. Which are we to take as authoritative? There has not only been a change from De-

ember to January, but apparently a change from Monday to Wednesday, or rather from Tuesday to Wednesday; for upon the Hill on Tuesday a coterie of those favoring the measure were seeking to conciliate seven of their colleagues by promising them the minimum of Government ownership, agreeing to limit the operation of the bill to a year or two and to provide for leasing the ships to private operators; while on Wednesday morning, after failing in their first endeavor, they were promising another group to embark the Government on a permanent policy of Government ownership. Apparently the proponents of this measure have utterly lost the bearings of their traditional statecraft and are ready to plead an emergency or fly to socialist doctrine, whichever will win the votes.

OPERATING AT PROFIT OR LOSS.

"Again, is this to be an enterprise for profit or not for profit? Is it supposed that by running at a loss for a period, in some mysterious way the business would become profitable, as implied in the President's message, and the Government then be able and willing to turn it over to private hands? Of course, such a supposition is without any foundation in reason. The sure result of the Government operating merchant ships at a loss would be the complete demoralization of the shipping trade, the destruction of such merchant marine as we now have, and a long postponement of the day of its revival.

"Again, there has been another change, this time in the purpose to be accomplished. When this measure was brought forward in August, and when it was advocated in December, it seemed that what was under consideration was trade development with South and Central America. New avenues of trade—"empty markets," to use the expression of the President—"were the objects in view." Nothing was said about the settled countries of Europe. Now there is an entire change and the advocacy of the bill is based upon the necessity of sending freight to Europe. The idea that we need more shipping for South America at this time, although it was the first reason for the passage of this bill, although for months that was exploited as a reason why the Government should engage in the business, is a chimera.

THE SOUTH AMERICAN TRADE.

"Ten boats leave every month on the average from New York for Rio de Janeiro and the east coast of South America. What are the facts? Before and since the war they have been running with a surplus of cargo space, sometimes being only half filled. A few weeks ago a passenger boat fit to engage in the trans-Atlantic trade came in from Rio with 6 first-class passengers and 17 third-class passengers, and that was the whole passenger list. On the west coast of South America, notwithstanding the stimulus afforded by the opening of the Panama Canal, the Peruvian and the Chilean navigation companies, which jointly ran boats weekly, have withdrawn the weekly service and made it fortnightly. I trust that the old conditions are soon to be restored.

"Here I want to call attention to one phase of this whole freight situation. While there may be sporadic instances of high rates to those portions of the world that are at peace, there has not been a rise in the charges so great as that which has frequently happened in the times of profound peace. Generally speaking, the rates to South America, to South Africa, to India, and to Hongkong have been raised about 25 per cent. In sporadic instances rates in the war zone have been raised eight or nine times. Thus the disparity in the increases is the substance of the whole matter, and shows conclusively that the increases are in direct proportion to the dangers of war.

AN INTERNATIONAL WAR CRISIS.

"I am sorry to say that there are a great many people in the United States who do not seem to realize that we are in the midst of the most titanic conflict between nations that the world has ever seen. We should have a deep realization of what it means. Happily we here in America are at peace. The sun shines over peaceful fields and witnesses people joyous because they are not engaged in war. Heaven be thanked for the blessing that belongs to us, and woe to the man who would stir up strife or interfere with that neutrality, that strict impartiality, which the American people should maintain at this time.

"I may have sympathies. I may think one nation or the other is more to blame, but I do not tell anybody; and I do not think anyone who has in the remotest degree any official responsibility should do so. We should not at this time allow fondness for the enlargement of trade—a disposition with which I sympathize—to erase from our minds a realization of what this war means and of the duty of the American people. The brightest page in it all is the work of this whole Nation for the suffering of Europe, the activities of the Red Cross Society, the great foundation in New York, and the universal response of

the American people in sending food and supplies to the suffering and dying of Europe. When the contest is over this will be our chief distinction, rather than sending war material or capturing trade.

"I want you to realize this fact: There is war, and this war has deranged the routes of trade. It has destroyed many of the agencies of transportation. It has diminished shipping facilities. It has introduced demoralization, partial destruction in almost every branch of commercial and industrial activity. Do not ignore that fact, and do not treat this question as if it were one to be settled as if we were now at peace.

A NONPARTISAN QUESTION.

"I agree with the honorable Secretary of the Treasury that this matter should be considered as a nonpartisan one. I took that stand in the first remarks made in the Senate some days ago which undoubtedly were much longer than any remarks I shall make to you to-day. Last Monday, when I saw seven Democrats, in the face of obfuscation and censure, stand up and vote to recommit this shipping bill to the committee—which meant its defeat—I thought it was beginning to assume a nonpartisan phase in the Congress.

"Will the conditions of European trade be relieved by increased shipping? Do not let us deal with generalities. Let us get down to the facts. What is it that has caused this decrease in the supply of shipping and an increase in freight rates? In the first place, German and Austrian shipping is withdrawn from the seas. Those boats probably carried about 14 per cent of the foreign trade. But let us consider that for a moment. If German and Austrian shipping is withdrawn from the seas, so also are Germany and Austria shut off from the trade of the world. The Baltic Sea is practically closed to trade; so also is the Black Sea. And, roughly approximating an estimate, we may say that the trade of the world has decreased because of the war in just about a like proportion with the loss of shipping. The situation would naturally call for an increase of our exports—more food and more supplies. More food and more supplies are destroyed when war is in progress. This tendency is emphasized by the desire of the nations, as Italy and Sweden and Norway, near to the theater of war, but not engaged in the conflict, to prepare themselves for all exigencies. That has increased the measure of their purchases. All factors considered, the withdrawal of this German shipping is no doubt a factor in the increase of freight rates.

WAR-RISK INSURANCE.

"Another factor of great importance is the liability of boats to search and seizure. Still more important is the cost of war-risk insurance. Even if it be only 2 or 3 per cent for a voyage, just think what that means. Suppose there are half a dozen voyages in the year; 12 or 18 per cent must be paid for war-risk insurance. That would be far and away beyond the ordinary income on investments of capital. Another reason is the dangerous channels through which shipping may go. If there is any one thing that the mariner fears more than others it is a hidden obstruction. He fears that his boat may run upon the rocks. But infinitely more dangerous is the mine which, when it explodes, not only stops the vessel and blows up the hull, but perhaps carries captain and crew and all into kingdom come. Then there is another reason. The requisition, especially by Great Britain, of a good share of its shipping to be used for military purposes.

"But when I name all these I have not named that which is at present the most decisive in the situation—that is, the delay in foreign ports.

FOREIGN PORTS CONGESTED.

"As a man said a few days ago—and I am not sure but that he was pretty nearly right—more ships would add to the congestion, for they would be in each other's way in foreign ports. Let me give you a few illustrations. Not very long ago an American boat was chartered to carry horses to a port in France. It had additional cargo capacity of 8,000 tons dead weight, but the owners learned that in the port to which they were going there had been a delay of 60 days in loading and unloading. What did they do? They went from this country to France without filling a foot of the space rather than to take the risk of delay and detention. Delay and detention are not limited to the ports of countries at war. It is just as bad at Genoa as anywhere, where a few days ago 30 ships were waiting in vain to be unloaded. It is a marked factor at Liverpool and at London—perhaps not so large in the German ports, if you can reach them, but generally in all European ports—and the cause of it is perfectly obvious. Government ships and other ships gather in the harbor. The Government claims for its military purpose the first use of quays and docks. The men who would be engaged in loading and unloading have

gone to the war. The men who would be making necessary repairs have gone to the war, and thus it is necessary to wait 20 or 30 or 40 or 60 days before a boat can be unloaded.

"On this subject I want to read very briefly from a report by Norman Hill, made on the 12th of January last. I think there is no one who is a higher authority in England in regard to shipping. He says:

"There is nothing in any of the above figures to account for the congestion of the ports in which fewer vessels have been available, and there has probably been as great a fall in the volume of the trade carried. The tonnage remaining available has been sufficient to carry the cargoes offering, for cargoes have not had to be shut out; although in the trade of the United Kingdom the amount carried in each of our ships has not substantially increased, the time employed in the discharge has increased most seriously. In London and Liverpool vessels have to wait for days for discharging berths, and when they can obtain berths the discharge is hampered and delayed by the block on the quays and on the railways. It is clear, therefore, that the causes of the congestion must be other than the one of ships or the one of quay space. The main cause is beyond question the shortage of labor.

"And that applies in an even greater degree in the countries more affected by the war than Great Britain, where, in a degree, industrial and commercial activities have gone on as heretofore.

"Where are you going to get your ships? My good friend Mr. Baker, who has been quoted by the distinguished Secretary of the Treasury, says that there are not more than 10 ships available under neutral flags that would be suitable for the purpose, and he advises the building of ships. Well, it is a 'present emergency' that is on us. We all fervently hope that this war will close in a less time than ships could be built. Strangely, most of our shipyards are busy already, and it would be 10 to 16 months before a boat of any considerable size, suitable for the trans-Atlantic trade, could be built in one of our shipyards. In the meantime you have those 10 ships. What are you going to do with them? How much will they help you? What better would the Government do with those 10 ships than the private owners are doing? Is the Government, which we must concede is sometimes very unwieldy, going to manage the shipping business better than the private owners?

GOVERNMENT OWNERSHIP.

"There are three phases of Government ownership presented in this proposal. I am not one of those for whom Government ownership has the terror that it has for many. Under proper restrictions it does not frighten me. But what is the proper field for Government ownership? It is in some branch of public service monopolistic in its nature, like waterworks in a city, electric light or gas plants—possibly telephone service and street railways, or those activities that are in close association with the moral and social conditions of a country, such as bathhouses or lodging houses. Here you are proposing partial Government ownership, though there is nothing more disastrous than to have part Government and part private ownership. This is not a fair test of Government ownership and operation. The ships that could be purchased with forty millions would be a mere bagatelle in the shipping of the world. You would be at best, even if it were half, in about the same condition that you are in when there are two telephone lines in the city. Oh, I have been through that! I have heard the statement made, 'You have one telephone line here. If you put in another you will have the benefit of competition.' What was the result? Each telephone line has to wire every building, put separate conduits in every street, and each office must have two phones. There is inconvenience all along the line, and finally either there will be insufficient service or the public will have to pay interest on both equipments.

"I remember some 30 years ago that there was a new railroad projected paralleling the Lake Shore Railroad between Buffalo and Cleveland. You could flip a copper between the different tracks much of the way. The right-of-way man went out and said, 'Now, farmer, we are going to have a competing line here. You can go to town more cheaply; you can ship your produce more cheaply; you will have all the blessings of competition; and a new avenue to happiness will be opened to you.' In about three years they were both under the same management. It proved impossible to run the two side by side under the laws of competition.

"What are you going to do if you have only one-fourteenth or one-twentieth of the shipping of the world? In the first place, the question has been asked, Have you any special route on which you will put these boats? And the answer is made, No; we will cross that bridge when we come to it. I think that question ought to be answered. I do not think Congress should be asked to appropriate forty or fifty millions of dollars without knowing something about what is to be done with the money.

PORTS OF CALL.

"Will special ports be selected? Then what happens? If you choose Galveston, will not Mobile and New Orleans have occa-

sion to complain? Will you choose a special product, such as wheat or cotton? Then, will not every other class of producers have a right to complain that you are giving a special advantage to this line of business to the disadvantage of every other? Suppose the Government carries at lower freight rates than private owners; what would be the result? Why, perhaps one-twentieth of the traffic of this country—a fraction certainly not greater than one-tenth—would be carried at a lower rate. What is the result? Does the great body of the American people get the benefit of it? No; it is the few who are benefited by those rates. It is exactly like the days of railroad wars, when the railroads in times of sharp competition put down their rates to a low figure. Those who were on the ground floor and took advantage of it were able to get their stuff carried at low figures, and they put the benefits in their pockets. The consumer got no benefit from it. You can not go into this business partially and make a success of it. If you are going into Government ownership, it is necessary that you shall control the whole business. There is no middle ground.

"I recognize a disposition on the part of many of the American people to disparage expert knowledge. It is thought that inexperienced men may gather around a table and smoke cigars and make plans and advise organizations for trade or industry just as well as those who have given their lives to it. A distinguished public man went out to Trenton not long ago to address a high school, and he said that the youth who has written a bright epigram gains more éclat than the student who has studied for two years. I want to say a few words for the student that studies for two years and who masters the subject. It appears sometimes to be imagined that great inventions and discoveries are the result of a chance inspiration; that a man, peering out into the outer void, puts his hand out and brings in a telephone or an electric light. But, ladies and gentlemen, that is not the case. The rewards in business and in science come to those who labor and who acquire qualifications.

SHIPPING TRADE NECESSITIES.

"Thus the shipping trade has been developing for centuries. It has adopted new routes of trade; it has adopted new methods; it has preceded rather than followed demands. There are certain necessities in regard to it. There must be terminals for the loading and discharge of freight. It is not sufficient to have ships. There must be wharves and quays. Is the Government going to secure those also? There must be affiliations with shippers. Is the Government going to secure such in a month or in two months? There must be a familiarity with the routes of commerce; a most careful calculation must be made so that the ship will have not only an outgoing but a return cargo; that she shall have something to do the year around. And then again oftentimes the owner of the ship is a merchant. He has a cargo one way supplied by some shipper. He buys something to bring back. That is in a considerable degree true of the trade on the west coast of South America, where nitrates constitute the return cargo. Is the Government going into that business and going to buy merchandise to carry at this time? I must say that in whatever phase we consider this bill we meet with difficulties. Not only is partial Government ownership defective in any field, but this is a line of business which it would be particularly dangerous for a newcomer to enter under the most favorable circumstances.

"The Revenue-Cutter Service, referred to by the distinguished Secretary, I commend very much, but it discharges a purely governmental function in the first place, and to that has been added the most commendable object of saving life. But that was not a creation overnight. That was not adopted under a bill never declared for in a party platform. It is the growth of a hundred years. I read a report by one of the Cabinet officers a few days ago about the frightfully dilapidated condition of the boats in one branch of the Government service, and I thought, 'Is it possible that alongside such a condition as this under Government management we are going to be asked that the Government go into the shipping business on a large scale?' If the Government can not manage boats that are used for its own agencies, how is it going to manage them when they are used for the general purposes of trade?

PURCHASE OF BELLIGERENT SHIPS.

"There is one question I must consider before I close: Are you going to buy ships of any of the belligerent nations? It would take too long for me to go into this question in detail, but I wish to state the situation briefly: Formerly England maintained the idea that a neutral could buy the ship of a belligerent in time of war if it was done in good faith. The doctrine on the Continent of Europe was always the contrary; that a purchase by a neutral of a belligerent ship in time of

war was void, and that if she sailed with the neutral flag she could be seized, taken into the prize court, and condemned. In the declaration of London, formulated by a convention in London in 1909, all the commercial nations practically agreed with the continental doctrine; that is, a transfer before the beginning of war was valid if made in good faith, but if made after war had commenced it was void unless it was shown that it was *not done* to evade the consequences of war. Suppose there is a merchant ship of Germany or England in the harbor of Charleston or Galveston. What are the 'consequences' to which such a boat is exposed? Why, if it sailed out under the German or English flag it would be seized by the other of the belligerents. If transferred to the American flag, it would be to evade the consequences of war, and the boat would still be subject to seizure. This war is not going to last always. We must take into account the feeling of these foreign nations toward us when the war has finished. I am afraid we have been a little too commercial in many of our ideals.

"Germany has issued a statement confirming the declaration of London. It is true she has intimated that she might waive her objections to the sale of certain boats detained in our harbors if the boats sail exclusively to German ports, and saying that such boats must have a passport issued by the German consul and that it must be taken to the State Department for approval, and then it is good for only one trip. England and France have also proclaimed the declaration of London, with some modification, as their policy during the war.

OUR NATIONAL RIGHTS.

"With these belligerents all united in the idea that ships can not be transferred under these circumstances, I want to say that we can not afford to take the chance. I am not one of those who say with bluff old Commodore Hull, 'My country: May she be always in the right; but, right or wrong, my country.' I can not agree with the last clause. No nation has insisted upon the rights of belligerents more earnestly than we did in the Civil War. We took it upon ourselves to determine the ultimate destination of cargoes; that is, if a boat sailed for Nassau and her cargo was suspiciously large, we reserved the right to investigate the question as to whether the goods were not intended to run the blockade. If a boat went to Matamoros, even though Mexico was at war, and the owners said, 'This may be intended for Mexico,' our prize court said, 'No; the chances are that it is intended for our enemies, and we will confiscate your boat and its cargo.'

"We can not afford to take the chance of trouble in buying belligerent ships. Thus we are driven back on the 10 ships that are available.

TERMS OF PROPOSED BILL.

"I am compelled to differ with some things that have been stated to-day in regard to this being in reality a private enterprise. Instead of buying the boats directly the Government is to organize a corporation, 51 per cent of the stock of which is to be paid directly from the Government Treasury; and if the remaining 49 per cent is not taken by private subscription, then the Government takes that also. The Secretary of the Treasury and the Secretary of Commerce exercise certain supervision over this corporation, with three others, who constitute a shipping board. The very statement of my honored friend, the Secretary of the Treasury, in which he said the President is to have control of all this, and made an appeal to you, in which I most cordially join, of confidence in the President of the United States, disproves its private character; for, whatever difference I may have with him, I honor him as a man, and he is our President. But you are asked to favor this bill because the President is going to control it all. How is that consistent with private business of a private corporation? The fact of the matter is that this corporation is a mere mask. Every dollar of the stock, no doubt, would be subscribed by the Federal Government. It is a Federal enterprise. The corporate form is a mere cloak to cover the real nature of the transaction; not intentionally so, but in effect. I may weary you perhaps by dealing in the distinction between the rights and obligations of a government and of a citizen in relation to belligerents. A citizen can ship munitions of war to a belligerent, and the Government is not compelled to intervene. The citizen must take his chance. If the boat is caught, he loses that which is contraband; but the moment the Government of the United States does a thing of that kind it is an act of hostility, leading to the most serious complications. You can not get out of that situation by passing a bill of this kind and going through this fiction of organizing a corporation of the District of Columbia.

DANGER OF SEIZURE.

"I should tremble with apprehension, if this corporation should be organized, and a boat owned by it, under the direction of

the Government, or as Secretary McAdoo has said, under the general direction of the President of the United States, should go out to sea and be seized by England or Germany on the ground that the cargo was contraband or that the ship had been transferred to our flag by a belligerent in time of war. I do not want such a bone of contention, such a source of friction and quarrel brought into our international relations at this time when everything is so tense and we must maintain neutrality and equal friendship for all. But suppose it were possible to obtain boats from neutrals, no doubt at a very high price, what advantageous use could we make of them? I dwell upon that subject again at the risk of repetition.

GOVERNMENT BOARD QUESTIONS.

"Do you believe that a Government board entering into this business without affiliation with shippers, without wharves and docks, can utilize those boats and carry any more freight on them than the private citizen who has made it a business all his life? You say private owners are charging extortionate prices. I think they are high, and I will join in any reasonable measure that will submit charges to supervision and control. You can not go as far as you can in the control of the railroad rate, because the business is vitally different, but you can at least supervise conference agreements. Why, it is said that there is a Shipping Trust. If ever there was an old and decayed derelict ready to be blown up, it is the Shipping Trust.

IF THE GOVERNMENT GOES INTO BUSINESS.

"Just at this time I must most vigorously dissent, if the Secretary will excuse me, from something that he said at Chicago—he did not quite say it here. I read from his Chicago speech:

"The objection that the shipping bill puts the Government in the shipping business, is not tenable. Those who urge it seem to forget that it is the duty of the Government to engage in any activities, even of a business nature, which are demanded in the interest of all the country when it is possible to engage private capital in such operations.

"Where will you stop upon that kind of a platform? Whenever there is a political agitation against some line of business, whether it is buying ships or marketing wheat, the Government has got to go into the business. The crowning glory of American life has been the initiative, the energy, the opportunity of the individual. I join with old Thomas Jefferson when he said 'that government is best which governs least.' I do not want to see the Government taking over business enterprises, and selecting men who are to manage them more or less according to political favor. There is too great a multitude that has come here already seeking office; going first to high-grade hotels, then to cheap boarding houses, and then going home despondent. If the Government goes into business, I am afraid they will take the first train and come back again and say, 'While we may not have succeeded very well in the business in which we have been engaged at home, it is only because we did not have opportunity to carry on operations on a large enough scale. Just put us in the Government service, and we will make a success in any position in which you place us, and in that way you will reward us for the services conferred in the campaign.'

"This is a situation true in a large degree with Democrats, and in some degree with the Republicans. I am not criticizing any political party, but I want to say to this audience that we will never have efficient Government management, certainly Government ownership, until the wide shield of the civil service and appointment in regard to merit rests over all our governmental activities.

OBJECT OF BILL.

"This bill, should it facilitate export, would certainly raise prices. I have heard in a political campaign that it was a requisite of usefulness that men should go their round with different speeches in their pockets—one for use when they went among the farmers telling them, 'You are going to have higher prices and everything is going to go better if you put us into office;' and then they would go into cities and say, 'You are paying too much for bread, and the prices are going to be lower.'

"Now, what is the object of this bill? Is it to raise prices? Why, wheat is quoted at a figure higher than it has been, save in some sudden rushes in the market, since the year 1866. Persons are coming here to Washington asking that an embargo be placed on the export of wheat and wheat products. There was a headline in one of the papers night before last that said the cost to the Capital City alone would be \$600,000 because of the added price of wheat. It has got to be either a smaller loaf or a higher price. The Government ought at least to be neutral under those circumstances. Is it going to use its strong hand? Is it going to tax the people, consumer and producer alike, to facilitate the export of wheat and hence raise the price of our primary food product?

"Now, let us look into the cotton situation for a minute. We have an unprecedented crop this year—16,000,000 bales. Very early in this war the Liverpool cotton exchange passed a resolution that they would not buy any cotton at present; the sources of demand were shut off; the cotton textile industry is demoralized by the war. There is consequently a very much diminished demand. Is it not perfectly inevitable that the price should be lowered under those circumstances, namely, the large crop and the diminished demand abroad? In this terrible war the consumer pays the freight as he never did before. If wheat were available from Odessa, if it were available from Siberia, if it were available from India, there would be competition, but, as it is now, the main source of supply is the New World. You can fix the price in Chicago or in Buenos Aires and add on the freight, and the consumer abroad has got to pay the freight. In Bremen the cost of cotton is 19 cents. Why is it so? Because of the high rate of freight between Galveston or Savannah or New Orleans, and the danger of capture, the danger of detention, and the danger of being blown into eternity by mines when you are on the way.

CONSIDERATION FOR THE CONSUMER.

"Why, it was rather understood when this new régime commenced that we were to have lower prices. That was one of the promises that were made. Now, is it to be the sole aim of governmental activity to raise prices? Is not the consumer entitled to the considerate attention of the administration? Will you tax the consumer and the producer alike to help the producer alone? Is that the new governmental idea that you are going to bring into effect?

"Now, there is one point in this connection that I would like to mention while speaking in regard to cotton. The total production, as I said, is about 16,000,000 bales. A little more than a third of that is retained at home. The other two-thirds or less goes abroad. That would mean the export of about 10,400,000 bales in the year, 200,000 bales in a month. Let us look at the recent shipments of cotton. I say this to hold out a word of hope to those who are interested in that line of production. Since January 2 there has not been a single week when the average export has not been above 200,000 bales. It is true that there would naturally be large shipments at this season of the year, but when you take into account the war, we are doing well, and conditions approximate the normal when you send an average of 200,000 bales per week. For the week ending January 2 there was sent abroad 191,000 bales; January 9, 315,000 bales; January 16, 218,000 bales; January 23, 255,000 bales; and January 30, 398,166 bales. Keep up that rate for 26 weeks of the year, and the whole we have for export will be carried abroad to a variety of ports.

"There is another thing that some of you may have noticed in a newspaper paragraph this morning, which is exceedingly significant. In the port of Galveston the quoted rate on cotton has fallen from \$3.50 per hundred to \$2.50 to Bremen; to Rotterdam, from \$2.50 to \$2 and \$2.10; to Barcelona, from \$1.35 to 85 cents. It would seem from this that while we have been talking on the shipping bill prices have been going down, and that raises the very important question as to whether it is not best to deliberate and to talk once in a while.

DAINGEROUS POSSIBILITIES.

"I have been interested in many measures in the Senate and House of Representatives, but, my fellow citizens, I know of none that seems to me is fraught with more dangerous possibilities. You must always take into account in every piece of legislation not only what it is in itself but the precedent that it establishes. What will be done next? Why, it seems to me that in every word that Secretary McAdoo uttered against the lending of \$250,000,000 to the cotton growers he was condemning the spending of money out of the Treasury which would inure to the benefit of some particular locality in this country. He referred to \$28,000,000 loaned to the States. Does anybody deny that that is a fair debt? But the Treasurer of the United States was directed by Congress never to collect a nickel of it until further ordered, and you and I will have passed into another sphere before that further order is issued. So it is in regard to this shipping bill. If the shipping corporation is once organized and some one can get lower rates than the normal—can get advantages over his competitor—the agitation to continue it will remain long after its usefulness has been disproved and the boats ought to be sold.

"There are some things that it does not do to trifle with, my friends. If above anything else in my life I have wanted to take a stand, it is for the people and all the people of the United States against any section and any party. I deplore the fact that an organized minority or interest, small in number, is often more influential here at Washington than the great body of

the people who, hampered by inertia and lack of interest, do not give sufficient attention to the general good. A public man oftentimes promotes his political chances more by a single bill that helps a single person than by any statute for the general good that he may be instrumental in enacting.

"I repeat—while we have been deliberating the reason for this bill has gone by or is going by. The arguments on behalf of it made at the beginning were abandoned. Now that relations with South America do not require increased shipping, some other reason is proposed.

OPPOSITION TO SHIP SUBSIDY.

"I have always opposed ship subsidy. I have stood with the minority of my party against this measure for these many years. I do not believe you will succeed in building up a merchant marine in that way. The more subsidy you pay the more you will be asked. There is a misapprehension about it. It is said that Germany and England have subsidized their ships. It is true that they do subsidize naval auxiliaries and boats like those belonging to the Cunard Line, but the tramp boat, which does most of the freight business, takes its chances on the waters of the sea. What is the reason our merchant marine has been decadent? It is closely associated with conditions which explain the marvelous progress of the American people.

SHIPPING-TRADE PROFITS.

"There is no trade which involves so little profit and so much hardship as the shipping trade. In Great Britain boats are built and then bonds to 65 per cent of their value at 4 per cent can be issued on them. They are built much more cheaply because they build many of the same type. Then when boats are sent out to sea our spirit of humanity toward the seaman is stronger than in Europe. We give him better food, we give him better wages, and we give him less hours. After all, you come up against this great proposition that in this land of ours there is a panoply of opportunities for investment on the land. We have here a great continent only partially developed, in some portions only scratched, and the genius of our people, their desire for investment, runs in that direction.

"Then, over on the other side of the water they have a class of sailors who for generation after generation, father, son, grandson, and on down indefinitely, follow the sea, while in our country when a man gets to be a mate he sends his son to the high school; he gets an education there, and in the abundant growth of American life that young fellow becomes a lawyer or a doctor and forsakes his father's calling.

THE PANAMA CANAL.

"Something has been said about the Panama Canal. The Government of the United States bought the rights of the new Panama Canal Co., and in buying them they got the railroad and ships and had them on their hands. In the building of the canal, that colossal enterprise, it was necessary to ship a great quantity of freight, such as cement, machinery, and supplies, and incidentally it has transacted a certain amount of general freight business. It is not in any way analogous to the present proposal.

"With reference to the currency bill, I want to say here that I was one of the men who had to do with the framing of the Aldrich-Vreeland bill, in the face of stubborn opposition from the other side, but the time came when the stone that the builders rejected became the head of the corner. With regard to the Federal reserve act, I did not vote in favor of it, but I did say, however, it would better the conditions as they previously existed. There was a commission which worked on the currency and banking problem, of which commission I had the honor to be a member for something like four years, and the accusation of plagiarism can be made with absolute certainty against the framers of the Federal reserve act when they look to that report, because its essential recommendations were all embodied and it furnished the basis for the present measure. I do not myself believe in this idea of the Government owing notes—I do not know that I would express myself so strongly as Senator Root, whom the secretary has quoted, and I do not believe that the experiment of issuing or guaranteeing currency which has been abandoned by every Government in the world, after it was tried by them and they had burned their fingers, should, even in this indirect way, be tried by our Government. Let the banks that issue this currency and get the benefit of it take care of the gold redemption and not call on Uncle Sam to help them out if they get into trouble. It may be a good thing, but I do not believe in the principle of it."

ORGANIZATION OF CITY GOVERNMENT.

Mr. FLETCHER. I present an article entitled "An outline for a preliminary municipal survey and a description of the organization of city government," by Mr. Le Roy Hodges, of Petersburg, Va. I desire that it may be printed as a public

document, and ask that it be referred to the Committee on Printing for action.

The VICE PRESIDENT. The article will be referred to the Committee on Printing.

REPORT OF CHIEF OF STAFF, UNITED STATES ARMY.

Mr. BRANDEGEE. Mr. President, the report of the Chief of Staff, United States Army, Maj. Gen. W. W. Wotherspoon, to the Secretary of War, dated November 15, 1914, is out of print. There is a great demand for the report, and I should like to have it printed as a public document. It is a short report, comprising only 15 pages.

Mr. SMOOT. I will ask the Senator from Connecticut if that is the report from the War Department?

Mr. BRANDEGEE. Yes; it is the report of the Chief of Staff of the Army. I ask that it may be referred to the Committee on Printing.

The VICE PRESIDENT. The report will be referred to the Committee on Printing.

GOVERNMENT-OWNED SHIPS.

Mr. MCLEAN. I ask to have printed in the RECORD about 25 lines from the London Spectator, which relate to some experiences of Australia and Brazil with government-owned ships.

The VICE PRESIDENT. In the absence of objection, it will be so ordered.

The matter referred to is as follows:

[From the Spectator, Jan. 30, 1915.]

THE AMERICAN GOVERNMENT AS A SHIPOWNER.

To the EDITOR OF THE SPECTATOR.

SIR: Your correspondent "A Jeffersonian Democrat" asks in his letter under the above title in the Spectator of January 16 whether there is any modern precedent for State ownership of a merchant marine. One is to be found in Australia, where the labor factions have had a good run of late. According to the Shipbuilding and Shipping Record of August 6 last, the Fisher government some two and a half years ago bought a steamer—the *Stuart*—from a private company for £10,400, and another £5,900 was expended in refitting her. She earned in two years £2,381, and was sold last summer for £6,200, the estimated loss of £10,000 falling on the shoulders of the electorate. Another State-owned steamer is the *Western Australia*, purchased in 1912 by the labor-governed State bearing the same name. She was bought for £39,500, and altogether cost about £73,000. The Government was then trying to sell the ship for £45,000. There are, of course, other instances, particularly where a shipping company has been so backed up, subsidized, and financed by a State as to make the concern to all intents and purposes a State-owned company. One of this class is the Lloyd Brazillero fleet, which the Brazilian Government put up for sale last year, without, however, finding a purchaser.

I am, sir, etc.,

SHIPOWNER.

[Our correspondent forgets an earlier precedent, the London County Council's attempt to run a fleet of passenger steamers on the Thames. The result is never mentioned in progressive circles in the metropolis.—EDITOR SPECTATOR.]

LIMITATION OF DEBATE.

Mr. NORRIS. Mr. President, have we passed the point in morning business when Senate resolutions are in order?

The VICE PRESIDENT. We were on the order of concurrent and other resolutions. That would include Senate resolutions.

Mr. NORRIS. Then, Mr. President, I submit the resolution of which I gave notice several days ago, which is now on the desk, proposing to amend the standing rules of the Senate, and I ask that it be read.

Mr. FLETCHER. Mr. President, I understand it is not a question of the consideration of resolutions at this time; it is a question of submitting resolutions. The order of business is the presentation of resolutions, as I understand.

Mr. NORRIS. This is a resolution which I am offering, and I have asked that it be read.

The VICE PRESIDENT. The Senator gave notice of the resolution, and he now offers it. The Secretary will read it.

The resolution (S. Res. 549) was read, as follows:

Resolved, That the standing rules of the Senate be amended by adding a new rule, as follows:

"Rule XLI. It shall be in order during the morning hour to make a motion that any bill or resolution then on the calendar shall be considered under the terms of this rule. Such motion when made shall lie over one day and shall then be decided without debate. No Senator shall be allowed to vote on a motion to consider a bill or resolution under this rule who is bound by any caucus or conference of Senators to vote in any particular way on said bill or resolution or any amendment thereon; but when any Senator's right to vote upon such motion is challenged such Senator shall be allowed to determine for himself whether he is disqualified from voting on said motion. When it has been decided to consider a bill or resolution under this rule the same shall first be considered in general debate, during which time no Senator, except by unanimous consent, shall be allowed to speak more than three hours. At the close of general debate the bill or resolution shall be read for amendments, and on any amendment that may be offered no Senator, except by unanimous consent, shall speak for more than 15 minutes: *Provided*, That any Senator who has not spoken for three hours in general debate shall, in addition to said 15 minutes, be allowed additional time; but in no case shall such additional time or times, including the time used by such Senator in general debate, exceed in the aggregate three hours: *Provided further*, That if unanimous con-

sent for additional time is asked in behalf of any Senator, either during general debate or when the bill or resolution is being considered for amendment, and the same is refused, it shall be in order by motion to extend the time of such Senator for a time to be named in said motion, which motion shall be decided without debate. When the bill or resolution is being read for amendment, all debate shall be confined to the amendment which is then pending."

Mr. NORRIS. Mr. President—

The VICE PRESIDENT. The Senator from Nebraska.

Mr. NORRIS. Every proposition in this proposed rule has been discussed both ways, up and down, for several days, and I ask unanimous consent for the present consideration of the resolution.

Mr. OVERMAN. I object, Mr. President.

Mr. NORRIS. Do I understand that objection is made?

The VICE PRESIDENT. Objection is made.

Mr. NORRIS. Then, as I understand, the resolution goes over for a day under the rule?

The VICE PRESIDENT. Yes.

PRESIDENTIAL APPROVALS.

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

On February 17, 1915:

S. 145. An act for the relief of Charles Richter;

S. 1044. An act for the relief of Byron W. Canfield;

S. 1377. An act for the relief of Alfred S. Lewis;

S. 1703. An act for the relief of George P. Chandler;

S. 2304. An act for the relief of Chris Kuppler;

S. 2882. An act for the relief of Charles M. Clark;

S. 5695. An act for the relief of the Southern Transportation Co.; and

S. 5970. An act for the relief of Isaac Bethurum.

On February 18, 1915:

S. 1304. An act authorizing the Department of State to deliver to Capt. P. H. Uberroth, United States Revenue-Cutter Service, and Gunner Carl Johannson, United States Revenue-Cutter Service, watches tendered to them by the Canadian Government.

IMPORT DUTIES COLLECTED AT VERA CRUZ.

Mr. CUMMINS. I ask unanimous consent to take from the calendar Senate resolution 514, being Order of Business No. 800, and, in accordance with the motion of the Senator from Missouri [Mr. STONE], to have it referred to the Committee on Foreign Relations. I wanted it disposed of in the Senate, but it is very evident that I can not secure disposition of it; and I ask that it be disposed of as desired by the chairman of the committee.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and that course will be taken.

DETAIL OF MAJORS IN ORDNANCE DEPARTMENT.

Mr. HITCHCOCK. On behalf of the senior Senator from Oregon [Mr. CHAMBERLAIN], chairman of the Committee on Military Affairs, who is not able to be present, I desire to ask unanimous consent for the present consideration of House bill 17765, to regulate details of majors in the Ordnance Department.

The VICE PRESIDENT. Is there any objection?

Mr. FLETCHER. What is the bill?

Mr. HITCHCOCK. It is a bill to regulate details of majors in the Ordnance Department.

Mr. SMOOT. Mr. President, I will say to the Senator from Nebraska that I have received a number of letters in relation to the bill, and I think I referred one letter to the senior Senator from Oregon [Mr. CHAMBERLAIN] yesterday or the day before, asking him to consider the objections to the bill that are raised in the letter. I hope the Senator will not ask unanimous consent this morning for the consideration of the bill.

Mr. HITCHCOCK. It was desired by the War Department to secure, if possible, the passage of the bill, which proposes to correct what was probably an error in an appropriation bill passed a year ago. The bill really reenacts the law which was in effect for five or six years preceding the passage of the last appropriation bill; but, of course, if there is any objection, I suppose it can not be considered. It is requested by the Secretary of War, and was passed unanimously by the House of Representatives.

Mr. SMOOT. Mr. President, if it is necessary, of course, in an emergency matter I will not object. I really wanted, however, to have the Senator who reported the bill consider the letters I have received in reference to it.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill. It provides that majors may be detailed in the Ordnance Department, under section 26 of the act approved February 2, 1901, and acts amendatory

thereof, without a compulsory period of service out of that department.

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

PROMOTION OF AMERICAN COMMERCE.

The VICE PRESIDENT. Morning business is closed.

Mr. LODGE and Mr. SMITH of Michigan addressed the Chair.

Mr. LODGE. Mr. President, is there not a resolution coming over from yesterday?

The VICE PRESIDENT. That is not morning business.

Mr. LODGE. Then a resolution which goes over under the rule one day loses all privilege and is not taken up automatically? It always has been done. If a resolution is introduced, and objection is made, it goes over under the rule one day and comes up the next day automatically.

The VICE PRESIDENT. Where is the rule for it?

Mr. LODGE. If there be no rule for it, then the objection that carries it over one day kills it. I have never seen it questioned. That is the reason why I made the inquiry.

Mr. FLETCHER. It comes up on motion.

Mr. LODGE. I only want to know the new rules as they are made; that is all.

The VICE PRESIDENT. There has been no new rule made.

Mr. LODGE. Certainly it is new practice.

The VICE PRESIDENT. That is probably true. It is new practice, but not a new rule.

Mr. GALLINGER. Mr. President, I will venture to inquire if the fact that, under the rule, a resolution goes over one day does not carry with it the assumption that it comes up the next day?

The VICE PRESIDENT. The presumption has always been that it came up on the next day, and the Chair has been in the habit of automatically laying such resolutions before the Senate; but upon attention being called to the rule, the Chair does not find any rule which authorizes the Chair automatically to lay it before the Senate.

Mr. FLETCHER. I submit, Mr. President, that it comes up on application under the rules.

Mr. ROOT. Mr. President, may I make a suggestion?

The VICE PRESIDENT. Certainly. The Chair has no—

Mr. ROOT. The rule that a resolution or other matter which is brought before the Senate shall lie over one day for consideration by necessary implication brings it before the Senate at the expiration of that period. Otherwise it would lie over indefinitely; but when the time is stated for which the matter shall lie over, then, upon the expiration of that time, the matter is in the same position that it was when it was originally presented to the Senate, just as when there is a recess or an adjournment to a certain day and hour, upon the expiration of that period the session begins.

Mr. LODGE. Mr. President, if I may be pardoned, since the Chair has stated that there is no rule on the subject, the rule is:

All resolutions shall lie over one day for consideration.

Of course by unanimous consent they can be disposed of at once, as they have been this morning; but if the request that they lie over one day ends them the rule is, of course, pointless. The rule is that a resolution shall lie over one day for consideration.

Mr. STONE. Is it not also true, if the Senator will permit me, that when it is brought up or laid before the Senate by the Chair on the day following, and is taken up and considered, if its consideration is not completed by 2 o'clock it goes to the calendar?

Mr. LODGE. Undoubtedly, but it is entitled to its day in court.

Mr. STONE. I think so. That has been the practice.

Mr. LODGE. That has been the unbroken practice.

Mr. SMITH of Georgia. Mr. President, will the Senator from Massachusetts let me call his attention to Rule XXVI?

Mr. LODGE. Certainly.

Mr. SMITH of Georgia. That rule provides that all reports of committees shall lie over one day for consideration. If the language that the Senator quotes requires a resolution to be disposed of on the next day and gives it precedence, then the similar language applied to the report of a committee would require every committee report to be considered the next day.

I am not objecting to the old practice. I do not want to be misunderstood about that; but just as a matter of curiosity I have myself sought to find a rule which sustained that practice, and I have not been able to find it.

Mr. LODGE. The rule is very simple, that a resolution shall lie over one day for consideration. Of course otherwise the

request to lay it over one day kills it at once. It sends it to the calendar at once.

Mr. SMITH of Georgia. Then what becomes of the report of a committee?

Mr. LODGE. But this is not the report of a committee.

Mr. SMITH of Georgia. I understand; but the same language is used in another rule in connection with the report of a committee.

Mr. LODGE. I understand that, but—

Mr. SMITH of Georgia. If it means necessarily that the resolution is to be considered the next day, would not the same language applying to the report of a committee mean equally that the report of a committee is to be considered the next day?

Mr. LODGE. But, Mr. President, the distinction is very obvious. The report of a committee or a bill goes to the calendar under the rule. A Senate resolution that is introduced does not go to the calendar unless it has been considered and the hour of 2 o'clock has arrived.

Mr. SMITH of Georgia. But there is nothing in the rules which says it is to be considered the next day.

Mr. LODGE. It has never been to a committee, and it does not go to the calendar until it has had its hour in court, or its day in court. That is the universal practice.

Mr. FLETCHER. Like any other matter, it has to be taken up on motion.

Mr. SMITH of Georgia. I am not questioning the practice.

Mr. FLETCHER. It does not come up of itself.

Mr. SMITH of Georgia. I am not objecting to the old practice. I was trying to find something in the rule which required the old practice.

Mr. ROOT. May I make a suggestion there as to a distinction that occurs to my mind upon the observation of the Senator from Georgia? The way in which the report of a committee gets consideration is by being put on the calendar, when it comes up in its regular order. The way in which a resolution which has never been to a committee gets consideration is by being brought up during the morning hour after the routine business. A resolution which has never been to a committee can not get on the calendar except by having consideration during the morning hour after the routine business, and it being ascertained that the period of the morning hour is not sufficient for its consideration, so that the hour expiring while the consideration is still in course, it then goes to the calendar. So the same view which sends the report of a committee to the calendar brings a resolution which has not been to a committee before the Senate in the morning hour of the day after it has been presented.

Mr. SMITH of Georgia. If the Senator will allow me, I find nothing in the rule that provides that it is to go to the calendar, and I find nothing in the rule with reference to the report of a committee going to the calendar. It all seems to be based upon practice.

Mr. FLETCHER. Mr. President—

The VICE PRESIDENT. If the Senate will permit the Chair to make a statement about this matter, the view of the Chair will be made plain to the Senate.

It has always been the custom since the Chair has been here that after the order of concurrent and other resolutions the Chair has laid before the Senate resolutions coming over from a preceding day; but upon investigation of the rules it appears that there is nothing in the rules which requires the Chair to do any such thing. Resolutions are provided for in clause 5 of Rule XIV:

All resolutions shall lie over one day for consideration, unless, by unanimous consent, the Senate shall otherwise direct.

While the Chair believes that it would be to the interest of the orderly transaction of business for the Chair to lay down resolutions as they come over from a preceding day, the Chair thinks it is the duty of a Senator who has introduced a resolution which has gone over one day for consideration, at the time when concurrent and other resolutions are called for to call up his resolution. He has a right to call it up and to have it either considered or referred to a committee, but it is not, under the rules of the Senate, the unqualified duty of the Chair to lay it down.

Mr. SMITH of Michigan. Let me ask a parliamentary question, Mr. President. I desire to ask the Chair whether Senate resolution 545, which I introduced three days ago, is upon the desk of the Vice President.

The VICE PRESIDENT. It undoubtedly is.

Mr. SMITH of Michigan. I should like to inquire whether it has not been the custom for resolutions of that character,

calling for information, to be laid before the Senate the day following their introduction.

The VICE PRESIDENT. There is not any question about that; it has been the custom of the Senate.

Mr. SMITH of Michigan. That being true, the author of that resolution having no notice of any departure from the usual custom which has prevailed in the Senate, as announced by the Vice President, I ask that the resolution be laid before the Senate.

The VICE PRESIDENT. The Chair thinks that is only just, and, unless there is to be an appeal from the ruling, the Chair, on the suggestion of the Senator from Michigan, lays his resolution before the Senate.

Mr. FLETCHER. Mr. President, may I be heard just a minute on the question of order?

Mr. SMITH of Michigan. I do not intend to discuss the resolution at length.

Mr. FLETCHER. I wish to say this much—

Mr. SMITH of Michigan. I do not want to yield the floor.

Mr. FLETCHER. I am not asking the Senator to yield the floor. In this connection I wish to state my opinion in regard to the rules, and I think it is absolutely correct. As I construe the rules, the last order of business stated in the rules before the close of the morning business is the presentation of concurrent and other resolutions. When that order is passed the order of morning business is closed. It is still the morning hour, and it is in order to consider such a resolution during the morning hour, provided it is taken up, but the resolutions are not necessarily laid down. Anyone can move to take up such a resolution, as anyone can move to take up other matters. If not taken up during the morning hour, then it goes to the calendar.

Mr. SMITH of Michigan. Mr. President, a resolution asking for information ought not to take very much time, and it is not my purpose to do so. It is a very simple matter. I had supposed it would be laid before the Senate in the ordinary course of procedure, and it is before the Senate.

I desire, Mr. President, simply to say this about it: This is a resolution calling upon the Secretary of the Department of Commerce for certain information which he has said is in his possession, regarding correspondence between himself and a European monarch and a prime minister of a foreign country, wherein he says that he has dispatched an attaché to a foreign port—an attaché who, thank God, to use his own language, speaks the language of that court—and that certain arrangements are under way affecting the foreign policy of this Government.

I regret that the Secretary of the Department of Commerce has felt called upon to discuss a matter of so much importance in such a mysterious way. I think it is outside of the scope of his authority under the law. At a time like this it is most serious if any official of the Government of the United States may undertake to conduct correspondence with a European power without having it pass through the ordinary channels of diplomacy.

I have no feeling about the matter at all. I am sorry that he used the language attributed to him. I have only pointed out the language which I think is very inappropriate in the speech. His entire address meets with my unqualified disapproval. There are insinuations and suggestions throughout that address which do no credit to its author. But the language that is quoted in my resolution, it seems to me, does call for some answer at the hands of the Secretary of the Department of Commerce, and I should like, as the language has not been read, to quote the exact language used by Secretary Redfield.

Mr. GALLINGER. Mr. President, I would first ask that the resolution be read.

Mr. SMITH of Michigan. I should like to have the resolution read.

The VICE PRESIDENT. The Secretary will read it.

The Secretary read Senate resolution 545, submitted by Mr. SMITH of Michigan on the 15th instant, as follows:

Whereas the Secretary of the Department of Commerce, Hon. William C. Redfield, delivered an address before the United States Chamber of Commerce, at its session held in the city of Washington, February 4, 1915, in which the following statement was made:

"I have had a dispatch from the prime minister of a great country abroad, so frank as hardly to be publishable in its original form, almost begging—let us say strongly urging—that America take the place in his country that Europe has laid aside. I have another from a monarch himself of a European power saying frankly that he wanted America to come into his land and take the place which others had hitherto filled.

"To-day an able attaché is there at the court of that monarch, speaking the monarch's language, thank God, and entering his country to do what he can do to unite that nation to ours. The King has said that he will put into America a branch of the bank of his country if we will undertake to establish banks in his country, and that whatever he can do officially to forward American commerce in his land shall be willingly and continuously done"; and

Whereas under the present delicate and critical state of international relations arising from the assertion of neutral and belligerent rights and obligations during the present war, it is desirable that Congress shall know how many and what different departments of our Government are engaged in carrying on negotiations with foreign powers, and whether such negotiations are of a character to disturb the balance of conditions created by war between other powers and to involve the United States in violation of neutrality: Therefore be it

Resolved, That the Secretary of Commerce be, and he is hereby, directed to send to the Senate copies of the communications referred to in the remarks above quoted and of the instructions to and the reports from the attaché therein mentioned.

Mr. SMITH of Michigan. Mr. President—

Mr. SMITH of Georgia. Mr. President, I rise to a parliamentary inquiry. I understand the Chair to hold that such resolutions are before the Senate subject to a motion to take any particular one up, but that they do not come up automatically for consideration and there is no rule which puts them before the Senate. I shall not object to a motion by the Senator from Michigan to take up this resolution. I have not any objection at all—

The VICE PRESIDENT. No; that was not the ruling of the Chair. The ruling of the Chair was that there is no particular order of business which requires the Chair to lay such resolutions before the Senate, but as there is a clause calling for "concurrent and other resolutions," a Senator who on yesterday introduced a resolution which was laid over under the rule has a right during the morning hour to call it up for consideration by the Senate.

Mr. SMITH of Georgia. Without a motion?

The VICE PRESIDENT. A motion is not necessary. He has a right to call it up.

Mr. SMITH of Michigan. Mr. President, I will make very short work of what I have to say about the resolution. This is not a pleasant duty. My attention has been called to what I regard as a somewhat serious error upon the part of the Secretary of the Department of Commerce in the address which he delivered to the United States Chamber of Commerce. My attention has been called to it by citizens of my own State who felt that if the Secretary was in correspondence with European monarchs and prime ministers they ought to know with whom he was in correspondence and what that correspondence was about. Whether Teuton or Slav or Hottentot, or whoever it was, they felt that they were entitled to know what this officer of the Government, whose duties do not take him into the field of diplomacy, has been writing to foreign monarchs about.

I have formed no hasty conclusion. I did not accept a newspaper report of the language used and most severely criticized, but I sent to the secretary of the chamber of commerce and asked for an official copy of the address of Secretary Redfield. I have that revised address before me now. I think this language is unfortunate. I think it is due to the Senate that he explain it. I have not the slightest wish to humiliate him. If what he has done is in the interest of the Government which he serves, and serves faithfully, I shall be very glad, but a mysterious statement of that kind affecting our diplomatic status with European powers is altogether too important to be overlooked.

It is not the first time that we have called upon the departments of the Government for an explanation of utterances. If the party to which I belong was in control of the Government of the United States at this time, so critical, I should be the first to say that language of that kind was inappropriate. I hope that the Secretary can make some explanation which will at least take away the sting of inappropriateness which now seems to surround it.

Mr. STONE. Mr. President—

Mr. SMITH of Michigan. Does the Senator rise to ask a question of me, or is he addressing the Chair in his own right?

Mr. STONE. I thought the Senator had concluded.

Mr. SMITH of Michigan. I am through. I do not want to say any more.

The VICE PRESIDENT. The Senator from Missouri.

Mr. STONE. Mr. President, in the resolution offered by the Senator from Michigan he quoted some excerpts from what he says is a stenographic report of a speech delivered by the Secretary of Commerce before the Chamber of Commerce of the United States on the 4th day of the present month. From these quotations it is apparent that the communications referred to by the Secretary, and to which the Senator referred in his speech, were personal rather than official communications made to him. They were not, as I understand, drawn out by any request emanating from the Secretary, but were communications voluntarily made by certain officials of certain foreign Governments.

Mr. SMITH of Michigan. Mr. President—

Mr. STONE. I would think, Mr. President, that the Secretary would be entitled to use a correspondence of that character

in such way as he saw proper. As to the wisdom of using it as he did, that was a question addressing itself alone to his judgment and discretion. I can not see upon what theory or by what authority the Senate can call the Secretary to account and demand that he lay before the Senate a correspondence of that kind.

Nevertheless I am prepared to say that the Secretary of Commerce is entirely willing to give to the Senate all the information asked for by the resolution of the Senator from Michigan.

I have just received a communication from Secretary Redfield relating to this resolution, which I will read, and I think it constitutes a sufficient answer to the Senator's criticism, but if he thinks otherwise I have no objection to the passage of the resolution. The letter to which I refer is as follows:

DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
Washington, February 17, 1915.

DEAR SENATOR STONE: My attention has been directed to Senate resolution No. 545, introduced by Senator SMITH of Michigan on February 15, and I have procured a copy thereof. I am aware that at this writing the resolution has not been adopted, but the whole matter is so simple and clear that it is a pleasure, in advance of its adoption, to furnish anew the information. I say "anew" because the matter was widely published throughout the country months ago, and I confess to a little surprise that the author of the resolution seems not to have observed this fact.

Having before me no copy of the address from which an alleged extract is made, I do not now raise the question of the accuracy of the supposed quotation. The statement is substantially correct, whether the language be accurately quoted or not.

The implication in the paragraph at the top of page 2, to the general effect that negotiations may be pending abroad between the different departments of the Government which may disturb matters, is a wholly gratuitous one. There are no facts either in my statement or in the actual occurrence to justify it. Only one, I venture to think, desiring to imply improprieties would have suggested it in the face of the widely published facts. These are as follows:

On October 2, 1914, I received from the Secretary of State a paraphrased copy of a dispatch from Ambassador Willard under date of August 30, giving somewhat in detail the subject matter of an audience with the King of Spain concerning the development of trade between Spain and the United States. I also received a letter from the President stating that he had asked the Secretary of State to send me the copy of the dispatch and asking me if I could devise means to bring this matter in some effective way to the attention of our commercial public. This was done, and on October 9, 1914, the matter was given to the press and published in the Consular and Trade Reports for that day. A copy is attached. A copy of the paraphrased dispatch is at the service of the Committee on Foreign Relations of the Senate if they desire it, though I presume the more usual way would be to obtain the same from the Department of State.

In like manner the Argentine ambassador to the United States brought to me on November 5, 1914, a cable message from the minister of foreign relations of the Argentine Republic to their ambassador, dated October 31, 1914. Upon my suggesting to the ambassador that the matter was one, as indeed it was intended to be, of interest to American commerce, he very courteously obtained the consent of his Government to the publication of a transcription of the dispatch. It appeared on the first page of the Daily Consular and Trade Reports for November 11, 1914, and was widely circulated throughout the press. A copy of the statement to the press follows:

"At an interview between the Argentine ambassador and the Secretary of Commerce on the evening of the 5th instant an important cable message from the Argentine Government bearing upon the commercial relations between the two countries was presented. Through the courtesy of the Argentine ambassador, and with the consent of his Government, the publicity of this dispatch is permitted. Its importance is obvious.

"It is a cablegram from the minister of foreign relations of Argentina to the ambassador of that country, dated October 31, 1914, and is as follows:

"There is at present no congestion of merchandise in our ports. Wheat and flour are not exported at present because of the embargo established by the executive power on those products. Corn, meat, and wool are exported without great difficulty, but we fear the scarcity of the means of transportation for our production in the near future. A very effective outlet would be the arrival of steamers from the United States with usual cargoes—that is to say, impure naphtha, wood, iron, agricultural machines and implements, petroleum, furniture, lubricating oils, etc. Those boats would return with our products—that is to say, meat, wool, hides, quebracho, live stock, etc. American manufacturers can occupy the place left vacant by European industry in all the branches that have been served by it. The present moment offers to American manufacturers very appreciable advantages for occupying positions, profiting by the present European inability. In order to get these advantages they must take the initiative themselves, sending, at least, small cargoes and also agents, and especially adapting themselves to the custom of not demanding cash payment, as has been practiced by others with very well known success."

Mr. LIPPITT rose.

Mr. STONE. Wait just a minute.

"The Department of Commerce hopes and expects that American manufacturers will take full advantage of the opportunity thus extended them through the courtesy of the Argentine Government."

Mr. LIPPITT. Mr. President—

Mr. STONE. Will the Senator let me conclude this?

Mr. LIPPITT. Yes. I merely wanted to ask the Senator one question, but I will wait.

Mr. STONE. I shall yield as soon as I finish reading. This letter of the Secretary proceeds:

It is a pleasure to say that, pursuant to the above, our commercial attaché, Dr. C. W. A. Veditz, is now in Madrid, endeavoring to promote the cordial relations with that country for which so much hope was expressed in the dispatch from our ambassador there, communicated through the Department of State, and that our commercial at-

taché, Dr. Albert Hale, is now in Buenos Aires, endeavoring to further the kindly desire of the Argentine Government for closer commercial relations with that sister Republic.

I need hardly point out that in neither of these cases were any negotiations conducted with foreign powers. The facts speak for themselves.

I shall be glad to have you give the fullest publicity to this letter.

Yours, very truly,

WILLIAM C. REDFIELD, Secretary.

HON. WILLIAM J. STONE,
Chairman Committee on Foreign Relations,
United States Senate, Washington, D. C.

Mr. LIPPITT. I only wanted to ask the Senator from Missouri if I correctly understand the circumstances as they are related there? I understand that that dispatch, to which the distinguished Secretary of Commerce refers, is a dispatch from the Government of Argentina to their ambassador in Washington, and that from their ambassador the Secretary of Commerce received a copy of that dispatch, or from some proper source he received a copy of that dispatch. That is the circumstance, I understand, which is related. I see here in the language which the Secretary of Commerce uses in his speech he says:

I have had a dispatch.

What he says in his speech is that he is in communication personally, directly, with the prime minister of a great country abroad. What he should have said, I presume, is that he had had a copy of a communication which the prime minister abroad had sent to his ambassador in this country. The two things are quite different.

Mr. STONE. Mr. President, that is splitting hairs in order to make a criticism. I have read the statement of the Secretary, and it speaks for itself.

Mr. SMITH of Michigan. Now, let me ask the Senator from Missouri a question. Having read that statement—

Mr. STONE. I have not completed the statement.

Mr. SMITH of Michigan. No; I understand; and I am not going to interfere; but I should like to ask the Senator whether he thinks, in view of the quotation from the Secretary's letter which he has just read, the Secretary was justified in saying—

I have had a dispatch from the prime minister of a great country abroad, so frank as hardly to be publishable in its original form, almost begging—let us say strongly urging—that America take the place in his country that Europe has laid aside.

As to the statement made by the Senator as coming from the Secretary of the department, I take no exception to the manner in which he has stated it, and his intentions in that regard I take no exception to; but when he says he has a communication from the monarch of a foreign country personally, and that he has information from him which he can not publish, it looks as though there were too many departments of the American Government conducting the diplomatic correspondence of this country with foreign powers. I do not think the Senator from Missouri would like that any better than I myself like it, and an explanation will be very satisfactory. I do not seek to put the Secretary in a wrong light, but I have quoted his language. He says he did not have it before him when he wrote that letter to the Senator.

Mr. STONE. Mr. President, I have no patience to engage in hair-splitting business. The fact is, as shown by the letter, that the Secretary was absolutely correct when he said he had dispatches or was in possession of dispatches from the prime minister or minister of foreign affairs of two foreign countries. What difference does it make whether a dispatch was sent directly to Secretary Redfield or sent to an ambassador in Washington and by him turned over to Secretary Redfield, with liberty to use it in any way he pleased? When it is undertaken to draw fine distinctions of that kind it is manifest on its face that Senators are determined to indulge in criticisms of an unfriendly character, whether or no.

Now, Mr. President, I want to complete the statement I was making. The Secretary refers to the fact that the information conveyed in the extract from his speech quoted in the resolution had been given to the public long before the speech was made, both through the press and through consular reports. I have in my hand the Daily Consular and Trade Report of October 9, 1914, sent to me as an inclosure by the Secretary. The item to which the Secretary refers me in that report is very brief, and I will read it:

[Telegram from the American embassy, Madrid.]

SPAIN DESIRES AMERICAN CONNECTIONS.

The Spanish minister of foreign affairs states that the Bank of Spain will try to establish a branch in the United States similar to the branches which it now has in Paris and London. He added that he hoped an American financial institution might be located in Madrid.

The minister of foreign affairs also urged the advantages which would accrue from a direct American steamship line to Mediterranean ports whose ships would touch regularly at Cadiz or Vigo, promising regular and improved through railroad facilities from these points and also proper railroad communication to Madrid.

The present attitude of the Spanish Government offers a great commercial opportunity to the United States at this time and it is urged that advantage be taken of it.

That was printed in the Daily Consular and Trade Report of October 9 last and was commented upon throughout the country by the press.

Mr. SMITH of Michigan. Mr. President, that merely indicates that that is not the dispatch which "is so frank as hardly to be publishable." That is the language the Secretary used; and if it was published in October, apart from his speech on the 4th day of February of this year, it indicates that that publication has not had very large circulation.

Mr. STONE. Mr. President, I have no time to waste in replying to criticisms of that flimsy character.

I hold in my hand also a Daily Consular and Trade Report, dated November 11, 1914, containing an article headed "Opportunity for United States trade in Argentina." The part the Secretary refers me to is too long to read; it covers three pages of this report; but it is a very interesting document relating to the increase and exploitation of our trade in the Argentine and touching also upon the matter of shipping facilities, and all that. All this matter is, in my judgment, a very excellent and forceful argument in favor of the shipping bill we are trying to enact. Now, Mr. President, I ask leave, without reading, to print these three pages of the Daily Consular and Trade Report of November 11 last in the Record.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is as follows:

OPPORTUNITY FOR UNITED STATES TRADE IN ARGENTINA.

The present opportunity for American exporters to secure extensive trade advantages in Argentina is set forth succinctly in a cablegram from the Argentine minister of foreign relations to the Argentine ambassador to the United States, Mr. Naón. This cablegram has been transmitted to the Department of Commerce as the official summary of present conditions by the Argentine Government, and is as follows:

"There is at present no congestion of merchandise in our ports. Wheat and flour are not exported at present because of the embargo established by the executive power on those products. Corn, meat, and wool are exported without great difficulty, but we fear the scarcity of the means of transportation for our production in the near future. A very effective outlet would be the arrival of steamers from the United States with usual cargoes—that is to say, impure naphtha, wood, iron, agricultural machines and implements, petroleum, furniture, lubricating oils, etc. Those boats would return with our products—that is to say, meat, wool, hides, quebracho, live stock, etc. American manufacturers can occupy the place left vacant by European industry in all the branches that have been served by it. The present moment offers to American manufacturers very appreciable advantages for occupying positions, profiting by the present European inability. In order to get these advantages they must take the initiative themselves, sending, at least, small cargoes and also agents, and especially adapting themselves to the custom of not demanding cash payment, as has been practiced by others with very well-known success."

FUNDAMENTAL COMMERCIAL CONDITIONS IN ARGENTINA.

The opportunity for United States exporters is all the better because of the spirit of impartiality and fairness toward all foreign goods which governs fundamental commercial conditions in Argentina. This point is elaborated in a recent communication from the Argentine minister of finance, Señor Enrique Carbo, to a financial institution in the United States, which also sets forth the importance of helping the industries necessary to the development of Argentine commerce in order to reap an ultimate trade benefit. The article follows:

"I believe that commercial relations based upon the constant interchange of the products that are required by the two countries for consumption or for the development of their economic activities will necessarily strengthen the international ties between them and stimulate other relationship to the profit of this Republic and of its worthy North American sister. I do not believe that it is possible for commercial intercourse between two free nations to result in loss to the one and profit to the other. In the development of commercial relations with our country the United States need only follow the example of European countries that have most rapidly succeeded in occupying the first place in the Argentine market. They gave the initial impulse to industries that were most necessary to the development of our commerce. They consulted our merchants regarding the tendencies and the tastes of our consumers and granted them credit facilities by founding in this country great banking institutions. Also they have established excellent lines of navigation and maintained continental traffic by means of moderate freight rates. In order to keep the transportation service going they arranged to take the greater part of our products to supply their markets and their big manufacturing concerns."

"Such a system of encouraging commerce has proved profitable to the countries that put it into practice, as is shown by the world's commercial statistics of the last 30 years. In these the United States figures as one of our best customers, precisely because of the adoption of the methods referred to."

"Neither the United States nor any other country has ever found, nor will any ever find, any obstacle in the way of the exercise of its full commercial activities in this Republic. Argentine legislation is liberal to business. Our customhouse regulations have not been modified for some 10 years. They influence imports so little that prices ruling on the markets have shown scarcely any effect on account of them. The taxes levied on goods for international consumption are the smallest possible. The same thing may be said of the Republic's fiscal burden upon our national industries, our transportation lines, and our business with the neighboring Republics that are supplied from our markets or through our ports."

TARIFF POLICY—INFORMATION AS TO POSSIBLE IMPORTS FROM UNITED STATES.

"Our tariff policy is based upon absolute international impartiality. One clause in article 74 of our customs law makes reciprocity treaties unnecessary because it authorized the Executive to reduce by

one-half the duties on goods imported from countries that allow special privileges to Argentine products, and to increase by as much as half the tariff on the imports from countries that take measures which benefit the entry of merchandise of other nations to the detriment of our exports. Legislation is now pending that will create a permanent organ of the Government, whose mission will be to propose gradual modifications of duties as the necessities of our internal economy and those of our foreign commerce require. In my opinion the United States could not have a better opportunity than exists at the present moment to develop its commerce in the countries reached by the River Plate, either by increasing the quantity sold here of North American products which competed before with those of European countries now at war, or by promoting new industries that may supply such articles as are not now exported from your country."

"The department under my direction is able to supply representatives of business in the United States with lists of the principal imports which your Nation may undertake to market in Argentina, with assurance of success and of probable increase in the future."

INVESTMENT OPPORTUNITIES—OCEAN TRANSPORTATION.

"There is an increasing development of profitable opportunities for investments of foreign capital in this country. The people of North America can with advantage apply their own experience in studying this phase of opportunity in Argentina. The capital which has run the greatest risk has been that which was attracted by high interest rates. The rapid increase in land values has brought extraordinarily large returns within the shortest possible time. But capital invested with the productive capacity of the soil, the development of agriculture and the cattle industries, and the manufacture of our natural products taken into account can rely upon profits that come somewhat more slowly, but are undoubtedly more certain. The expansion to their present proportions of many of the largest concerns in the Republic is due to this conservative method of operation."

"Finally, I must advise you that we possess only the beginning of a mercantile marine, and this is needed for exclusive coast service between the cities and along the navigable rivers. Fortunately, the countries that have commercial relations with us have understood that the best way to develop those relations was through the establishment of great navigation lines, and the organization of companies destined exclusively for transportation in the Southern Hemisphere."

"I hope that this which I have said may be of service and that it will contribute to the impulse that will increase business relations between the Argentine Republic and the United States."

In this connection the following articles appearing recently in the Daily Consular and Trade Reports, which give statistical and other information bearing on the trade relations between Argentina and the United States, will be of interest:

- "Commerce of northern Argentina," issue of June 19, No. 143.
- "Argentina's foreign trade," July 21, No. 169.
- "Argentine export changes," July 30, No. 177.
- "Commercial review of Argentina," August 13, No. 189.
- "Argentine grain crops and exports," September 4, No. 208.
- "Growth of banking in Argentina," September 5, No. 209.
- "Supplies of merchandise in Argentina," September 26, No. 226.
- "Cotton goods in Argentina," October 28, No. 263.

Mr. SMITH of Michigan. Mr. President, has the Senator finished?

Mr. STONE. I yield to the Senator.

Mr. SMITH of Michigan. Evidently, Mr. President, there is a disposition upon the part of the Secretary to set the Committee upon Foreign Relations right at least upon the criticism which has been directed against his speech of February 4. I do not desire to embarrass him in the slightest; I give him credit for being a patriotic and an upright man.

Mr. STONE. I venture to say to the Senator that this resolution and these remarks do not in the least, and can not in the least, embarrass the Secretary of Commerce.

Mr. SMITH of Michigan. I do not want to do so. I was going to suggest, inasmuch as he has already written the Foreign Relations Committee, that we refer the resolution to that committee, and if the committee, or any member of the committee, desires to interrogate the Secretary, it may be done. That will be quite satisfactory to me.

Mr. STONE. I have no objection to that disposition being made of the resolution.

Mr. SMITH of Michigan. The explanation made, as far as it goes, is undoubtedly satisfactory to the Senator. I take no exception to it; but the Secretary did not have his speech before him when he wrote the Senator from Missouri.

Mr. STONE. Concluding, Mr. President, I desire to say that the effort of the Secretary of Commerce to give to our business men, manufacturers, and others the benefit of this information, showing the great desire of the Governments of Spain and Argentina to establish closer commercial and business relations with this country, is commendable in every way. I apprehend that if this information had been in the hands of some others I know of it would not have been given to the public just at this time, because there are others in this land, I regret to say, who, in my opinion, are not anxious at this moment to increase or multiply the volume of our business at home or abroad. The Secretary, nevertheless, performed a commendable public service when he gave publicity to this information.

I am content, sir, that the resolution may be referred, in accordance with the suggestion of the Senator from Michigan, to the Committee on Foreign Relations.

The VICE PRESIDENT. It will be so ordered.

RIVER AND HARBOR IMPROVEMENTS.

Mr. BURTON. Mr. President—

The VICE PRESIDENT. The Senator from Ohio.

Mr. BURTON. Resolution No. 541, merely asking for information, is, I take it, in the same position with the one just adopted. I ask to have it presented to the Senate.

The VICE PRESIDENT. At the suggestion of the Senator from Ohio, the Chair lays before the Senate a resolution coming over from a preceding day, which will be stated.

The Secretary read the resolution (S. Res. 541), introduced by Mr. BURTON on the 13th instant, as follows:

Resolved, That the Secretary of War be requested and directed to transmit to the Senate a statement of the balances to the credit of the respective river and harbor projects of the country now under improvement, remaining unexpended and available on January 1, 1915, or February 1, 1915, as may be most convenient.

The VICE PRESIDENT. The question is on agreeing to the resolution.

The resolution was agreed to.

STEAMBOAT-INSPECTION SERVICE.

Mr. FLETCHER. Mr. President, does that complete the morning business?

The VICE PRESIDENT. Unless there is some other resolution coming over from a previous day and there is a request to take it up, morning business is closed.

Mr. FLETCHER. I ask, in the first place, that H. R. 20282, a House bill which has been reported to the Senate and is identical with a Senate bill on the calendar, Order of Business No. 734, may be substituted for Order of Business No. 734, and the latter indefinitely postponed.

Mr. OVERMAN. What is it about?

The VICE PRESIDENT. The Chair understands that has been done once before.

Mr. FLETCHER. This is another bill, I think. It is in the same situation as a bill with reference to which the Senator from North Dakota made a similar motion.

Mr. SMOOT. May the Secretary state the request again?

The SECRETARY. The Senator from Florida requests that House bill 20282, received from the House, shall take the place on the calendar of Order of Business No. 734, Senate bill 6781, with exactly the same title.

Mr. PENROSE. What is the title?

The VICE PRESIDENT. Is there any objection?

Mr. PENROSE. Let us have the title stated.

The SECRETARY. The title of the bill is—

A bill to provide for the appointment of 11 supervising inspectors, Steamboat-Inspection Service, in lieu of 10.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and it is so ordered, and without objection Senate bill 6781 is indefinitely postponed.

THE MERCHANT MARINE.

Mr. FLETCHER. I move that the Senate proceed to the consideration of the House amendments to Senate bill 5259.

Mr. GRONNA. Mr. President—

Mr. FLETCHER. The motion is not debatable, Mr. President.

Mr. GRONNA. I simply wanted to proceed to discuss the bill when it was taken up.

The SECRETARY. Senate bill 5259 is entitled—

A bill to establish one or more United States Navy mail lines between the United States and South America and between the United States and the countries of Europe.

The VICE PRESIDENT. The Senator from Florida moves to proceed to the consideration of the House amendments to the bill the title of which has just been stated by the Secretary. [Putting the question.] By the sound the ayes seem to have it.

Mr. LODGE. I make the point of no quorum.

The VICE PRESIDENT. The Secretary will call the roll.

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

| | | | |
|--------------|----------------|--------------|--------------|
| Ashurst | Gallinger | Myers | Smith, Md. |
| Bankhead | Goff | Nelson | Smith, Mich. |
| Borah | Gronna | Norris | Smith, S. C. |
| Brady | Hitchcock | O'Gorman | Smoot |
| Brandegge | Hollis | Overman | Stephenson |
| Bryan | Hughes | Page | Sterling |
| Burleigh | James | Penrose | Stone |
| Burton | Johnson | Perkins | Swanson |
| Catron | Jones | Pittman | Thomas |
| Chilton | Kern | Pomerene | Thompson |
| Clark, Wyo. | La Follette | Ransdell | Tillman |
| Clarke, Ark. | Lane | Reed | Townsend |
| Crawford | Lea, Tenn. | Sheppard | Vardaman |
| Culberson | Lee, Md. | Sherman | Walsh |
| Cummins | Lewis | Shields | Weeks |
| Dillingham | Lippitt | Shively | Williams |
| du Pont | McLean | Simmons | Works |
| Fall | Martin, Va. | Smith, Ariz. | |
| Fletcher | Martine, N. J. | Smith, Ga. | |

Mr. RANDELL. I wish to announce that the senior Senator from Louisiana [Mr. THORNTON] is absent on account of ill health.

The VICE PRESIDENT. Seventy-four Senators have answered to the roll call. There is a quorum present. The Senator from Florida moves that the Senate proceed to the consideration of the House amendments to Senate bill 5259.

The motion was agreed to.

Mr. GRONNA. Mr. President—

The VICE PRESIDENT. The Senator from North Dakota.

Mr. GRONNA. The pending bill, in its latest form, provides for the creation of a corporation which shall have the power to construct, purchase, and operate ships in the foreign trade of the United States, and the power to charter and lease vessels for the same purpose. The Government is, through a shipping board provided for in the bill, to subscribe to at least 51 per cent of the capital stock of the corporation. Although the language is by no means clear, I assume that the provision in section 1 regarding the capital stock refers to this corporation and not to the lessee corporation. If this assumption is correct, the initial capital stock of the corporation is to be \$10,000,000, of which the United States is to hold at least 51 per cent; the Government may also subscribe to the remainder of the stock if it is not taken by the public. It is also provided that the capital stock may be increased, and of such increase the Government may, without first obtaining the consent of Congress, subscribe to not more than \$10,000,000. Consequently, the amount which this bill will authorize the shipping board to invest in the capital stock of the corporation will aggregate \$20,000,000 if the Government should be compelled to subscribe to all of the initial capital stock of the corporation, and \$15,100,000 if the public takes the 49 per cent of the initial stock offered to it; and the total capital stock that the corporation might issue would, under these circumstances, be \$20,000,000 if the Government were compelled to purchase all of the shares of stock, or almost \$30,000,000 if the public took 49 per cent of the stock. That, of course, is only the beginning, and I do not doubt that if this bill should become a law we should soon be asked to increase the investment of the Government in the capital stock. In addition to this, authority is given to sell \$30,000,000 of Panama Canal bonds, the proceeds to be used in the purchase and construction of ships for the foreign trade.

As to whether the public will subscribe for the stock thus offered, that will, I imagine, depend to some extent on what understanding the public has of the intent and liability of the Government in the matter. If the public is given to understand that dividends are to be guaranteed, and that any losses which may result from the operation of these ships are to be made good from the Public Treasury, I do not apprehend that any difficulty will be found in selling this stock. If, however, the impression prevails that profits are not in any way to be guaranteed, the distrust of the public as to the ability of the Government to conduct anything economically may render somewhat difficult the selling of this stock.

While the Government will be called upon to furnish most of the money needed in this venture, or perhaps all of it, there appears to be some doubt as to how far the control of the Government will go. The Government is to hold not less than 51 per cent of the capital stock, to be voted by the shipping board, or its representative; but there is a provision on page 2 of the bill which, it appears to me, surrenders control, in a very large measure, if not entirely, to the other stockholders. This provision reads as follows:

Such officers and trustees shall be subject to removal at any time by a vote of a majority of the stockholders at any meeting thereof.

This would give a few stockholders, perhaps holding only a few hundred dollars of the capital stock, the power at any time to remove the officers of the corporation. Is there any doubt as to who would actually control the corporation, the United States holding a majority of the stock, or the stockholders having the power to remove the officers whenever they pleased? There may be reasons for placing this provision in the bill, but I have not heard them explained. It appears that this provision nullifies the control of the corporation, which the ownership of the majority of the stock at first glance appeared to give to the Government.

While the corporation is to be authorized to construct, as well as to purchase, ships, the general expectation is that attempts would first be made to purchase them before entering into contracts for the construction of ships. It is self-evident that this would be so if this measure is to bring any relief from the conditions which its supporters say make its passage necessary at this time. Almost from the opening of the war it has been suggested in various quarters—and some of those suggestions have come from what would ordinarily be considered authoritative

sources—that the ships to be purchased were the German ships interned in our ports, or, to speak more exactly, imprisoned by the fear of capture by the enemy if they should venture outside of the port. Since attention has been called to the fact that the belligerents might refuse to recognize the transfer of these vessels there has been some attempt to evade this question by stating that these are not the only vessels that can be purchased and that the passage of this bill would not necessarily mean the purchase of these ships. There has been no direct statement, however, that the purchase of these vessels is not contemplated, nor have those in charge of this bill been willing to accept any amendment which would guard against such purchases and the international complications which might result therefrom. The question of the validity of such transfers is therefore a pertinent one.

The PRESIDING OFFICER (Mr. CHILTON in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The SECRETARY. The motion by the Senator from Missouri [Mr. REED] to amend Rule XXII of the standing rules of the Senate.

The PRESIDING OFFICER. The Senator from North Dakota will proceed.

Mr. GRONNA. I believe it can safely be said that the courts in this country have uniformly recognized the validity of the sale of merchant vessels by belligerents to neutrals after the outbreak of hostilities where such sale was shown to be a bona fide commercial transaction, and I understand that the trend of English decisions has been in the same direction. I am not satisfied, however, that the broad statement that any such transfer after the outbreak of hostilities would be held valid, provided the purchase was made in good faith, is justified by these decisions. It appears to me that a distinction might be drawn between the case of a vessel the capture of which was certain in case it ventured from port and the case of one of whose capture there was no immediate danger, and that while the transfer of the latter might be considered a commercial transaction in the case of the former, it might be held that the transfer was made in order to evade the consequences resulting from its belligerent nationality. Without attempting to go into this phase of the question, I may say that it does not appear to me that the case of the *Baltica*, on which the junior Senator from Montana [Mr. WALSH] laid some stress is a case in point, since it appears that in that case the transfer was made before the outbreak of hostilities, although in anticipation of war.

In the case of the *Benito Estenger* the Supreme Court makes the statement that "transfers of vessels flagrante bello were originally held to be invalid," but that the rule has been modified, and the court approved the statement from Hall's International Law that in the United States and in England the right to purchase vessels is admitted, but that as the opportunities for fraud are great the circumstances attending a sale will be closely scrutinized. France appears to have adhered to the old rule and to have maintained that the transfer of enemy vessels to a neutral who has knowledge of the outbreak of hostilities is void without regard to the good faith of the transaction. At least some of the other continental powers appear to have followed France in this respect rather than the United States and England. The Russian Prize Regulations of March 27, 1895, contain the following provision, as given in Moore's International Law, section 1188:

Merchant vessels acquired from a hostile power or its subjects by persons of neutral nationality are acknowledged to be hostile vessels unless it is proven that the acquisition must be considered, according to the laws of the nation to whom the purchasers belong, as having actually taken place before the purchasers received news of the declaration of war, or that the vessels acquired in the manner mentioned, although after the receipt of such news, were acquired quite conscientiously and not for the purpose of covering hostile property.

The decisions and regulations referred to, however, were all made and formulated before the adoption of the London declaration. Article 56 of this declaration deals with the transfer of belligerent vessels to neutrals after the outbreak of hostilities. Extracts from the proceedings of the London conference, submitted by the senior Senator from New York and by the junior Senator from Montana, show that the delegates from the United States and others favored a declaration recognizing the validity of such transfers if bona fide, while delegates from other countries, especially from France, Germany, and Russia, believed that all transfers made after the outbreak of hostilities should be declared void. The article finally adopted as a compromise between these two views is as follows:

ART. 56. The transfer of an enemy vessel to a neutral flag effected after the outbreak of hostilities is void unless it is proved that such transfer was not made in order to evade the consequences to which an enemy vessel as such is exposed.

There, however, is an absolute presumption that a transfer is void—

- (1) If the transfer has been made during a voyage or in a blockaded port.
- (2) If a right to repurchase or recover the vessel is reserved to the vendor.
- (3) If the requirements of the municipal law governing the right to fly the flag under which the vessel is sailing have not been fulfilled.

The transfer after the outbreak of hostilities is void unless it is proved that it was not made to evade the consequences to which the enemy vessel as such is exposed. To what consequences is an enemy vessel as such exposed? On the high seas it is exposed to capture by the opposing belligerent. It is also exposed to being interned in a neutral port. If the transfer is made during a voyage or in a blockaded port, the presumption is absolute that such transfer is void, and yet the sale might be as absolute and might be made in as good faith on both sides in such a case as in any other; yet an absolute presumption is raised against its validity. The report made on this article to the London conference by its drafting committee is as follows:

The rule respecting transfers made after the outbreak of hostilities is more simple. Such a transfer is only valid if it is proved that the object was not to evade the consequences to which an enemy vessel as such is exposed. The rule accepted in respect to transfers made before the outbreak of hostilities is inverted. In that case there is a presumption that the transfer is valid; in the present that it is void, provided always that proof to the contrary may be given. For instance, it might be proved that the transfer had taken place by inheritance.

Article 56 recites cases in which the presumption that the transfer is void is absolute, for reasons which can be readily understood. In the first case the connection between the transfer and the war risk run by the vessel is evident. In the second the transferee is a mere man of straw, who is treated as owner during a dangerous period, after which the vendor will recover possession of his vessel. Lastly, the third case might strictly be regarded as already provided for, since a vessel which lays claim to neutral nationality must naturally prove that she has a right to it.

At one time provision was made in this article for the case of a vessel which was retained, after the transfer, in the trade in which she had previously been engaged. Such a circumstance is in the highest degree suspicious; the transfer has a fictitious appearance, inasmuch as nothing has changed in regard to the vessel's trade. This would apply, for instance, if a vessel were running on the same line before and after the transfer. It was, however, objected that to set up an absolute presumption would sometimes be too severe, and that certain kinds of vessels as, for example, tank ships could, on account of their build, engage only in a certain definite trade. To meet this objection the word "route" was then added, so that it would have been necessary that the vessel should be engaged in the same trade and on the same route; it was thought that in this way the above contention would have been satisfactorily met. However, the suppression of this case from the list being insisted on, it was agreed to eliminate it. Consequently a transfer of this character now falls within the general rule; it is certainly presumed to be void, but the presumption may be rebutted.

To me this statement appears to indicate what the drafting committee had in mind at the time of formulating this article. It has been urged that this article was merely intended to make void sales not made in good faith, and to place the burden of proving the good faith on the owner of the vessel. It appears to me, however, that transfers not made in good faith—where there was not an actual sale and purchase, but only a pretended one—would fall in one of the three classes of cases where the presumption against the validity of the sale is absolute.

The committee also state that at one time the article contained a provision that there was to be such absolute presumption in cases where the vessel was retained after the transfer in the same trade as that in which she had previously been engaged. If fictitious sales were the only ones which it was intended to make void, what reason would there be for suggesting that an absolute presumption be made in such cases? It appears to me that what the committee must have had in mind in considering that provision was that if an enemy ship were sold to a neutral and continued in the same trade there would be a practical certainty that the ship was sold for the reason that if she continued in the trade under the belligerent flag she would be liable to capture; in other words, that the transfer was made "in order to evade the consequences to which an enemy vessel, as such, is exposed."

The reason why a belligerent would object to the transfer of the merchant vessels of the enemy to a neutral flag is readily apparent. War on the seas is carried on not only against the actual combatants but also against the commerce of the enemy. The aim is not merely to capture the merchant vessels of the enemy but also to destroy so far as possible the trade of the enemy. At one time enemy goods were liable to capture regardless of the nationality of the ship on which they were found, but at length the doctrine of "free ships, free goods" prevailed, and enemy goods not contraband are now exempt from capture if carried by a neutral ship. All enemy goods carried by an enemy ship, however, are liable to capture. Consequently if a belligerent is permitted to sell its ships to neutrals its commerce in other goods than contraband might be carried on without danger of capture; and so far as its trade is concerned, it might

actually be to the benefit of a belligerent to be compelled to sell its ships. The war which one belligerent carried on against the commerce of another might to a very large extent be nullified by such transfers of vessels. In addition to this the belligerent would also lose, of course, the chance to capture the ship, and the enemy would have the additional benefit of having the capital which was tied up in the ship returned to its former owner, and thus increase the financial resources of the enemy.

To attempt to destroy the commerce of the enemy of course interferes with the trade of the neutral nations with which that commerce is carried on, and while it may not seem just to us that neutral nations should suffer because of a war for which they are not in any way responsible and with which they have no concern we have to accept the law as it is. A belligerent is likely to be more impressed with his rights as such than those of a neutral, and it must not be forgotten that these cases are decided by the courts of the belligerent making the capture. If we were to purchase the interned German ships, the two nations likely to capture them after the transfer would be England and France. The latter country would have refused to recognize the validity of the transfer, even without the London declaration. I believe there is a possibility that England might formerly have recognized such a transfer as valid, but the English Government has declared its adherence to the London declaration, and its prize courts will observe it in adjudicating these cases. The English and French Governments have not left us in doubt as to how they construe the law. As early as last August, if my memory serves me right, the English and French ambassadors conveyed to our Government their views that the purchase of these German ships would not be valid transfers under the London declaration.

I shall not dwell upon the possible consequences of the seizure and condemnation of a ship belonging to our Government by one of the belligerent powers. While we usually look upon searches and seizures of ships belonging to private individuals as matters of course, leaving it to the prize courts to decide whether the seizure was justified, the state of the public mind would be far different if the people of this country were to see ship after ship purchased by the Government and paid for out of the Public Treasury, seized by English and French warships as soon as they were outside of New York Harbor.

The Senator in charge of this bill has moved to amend the motion to recommit the bill to the committee so as to instruct the committee to report the bill again to the Senate with amendments, one of which reads as follows:

Provided, That in making purchases of ships during the continuance of the present European war no purchase shall be made in a way which will disturb the present conditions of neutrality.

This amendment is presumably to satisfy those who are opposed to the bill in its present form, because they fear that it is intended to purchase the German ships and believe that the validity of such transfers will not be upheld by the prize courts. To me it does not appear that this amendment accomplishes anything. With or without such a provision in this measure, I do not presume that the shipping board would make any purchase which, in their opinion, would "disturb the present conditions of neutrality." Supporters of this bill contend that the purchase of the interned German ships would not be in contravention of international law, and that even if the belligerents should consider it so, they would not at this time dare to seize the ships from fear of incurring our hostility, and that even if they did seize the vessels, there would be no danger of international complications, and that the present conditions of neutrality would therefore not be disturbed in any event. The proposed amendment certainly offers no assurance to anyone who believes it would be an ill-advised and dangerous proceeding to buy these ships at this time. It leaves to the shipping board the question of what would disturb the present conditions of neutrality. The opinion of the Secretary of the Treasury, who would be a member of the shipping board, is well known; he does not believe there is any question as to our right to purchase these ships. A person holding this view would certainly see no reason for declining to purchase the ships, even if the proposed amendment is adopted.

I do not know what the views of the other members of the board would be likely to be, but if it is possible for one of them to have these views there is a possibility that at least a majority of the board might have them, and in such an event there is absolutely nothing in this proposed amendment which would prevent them from buying the ships, no matter what others might think as to the danger of international complications resulting from such action. If a majority of this Senate believes that it would be a dangerous experiment to purchase these ships, I believe a provision should be written into it which

would prohibit such action, or which would permit it only if the belligerent powers indicated that they would not consider it in contravention of international law. If there is danger that purchases might be made in such a way as to result in international complications, that danger will exist with this amendment in the bill exactly as though there were no such provision.

The reasons for passing this ship-purchase bill presented by President Wilson in his message last December were that countries which the countries now at war had formerly supplied with certain commodities would now be forced to depend on us for these supplies, and that ships were needed to carry this trade which was expected to develop. The President said:

It is of equal consequence that the nations whom Europe has usually supplied with innumerable articles of manufacture and commerce, of which they are in constant need and without which their economic development halts and stands still, can now get only a small part of what they formerly imported and eagerly look to us to supply their all but empty markets. This is particularly true of our own neighbors—the States, great and small, of Central and South America. Here are markets which we must supply, and we must find the means of action.

How are we to carry our goods to the empty markets of which I have spoken if we have not the ships? How are we to build up a great trade if we have not the certain and constant means of transportation upon which all profitable and useful commerce depends? And how are we to get the ships if we wait for the trade to develop without them?

Hence the pending shipping bill, discussed at the last session, but as yet passed by neither House. In my judgment such legislation is imperatively needed and can not wisely be postponed. The Government must open these gates of trade, and open them wide; open them before it is altogether profitable to open them or altogether reasonable to ask private capital to open them at a venture. It is not a question of the Government monopolizing the field. It should take action to make it certain that transportation at reasonable rates will be promptly provided, even where the carriage is not at first profitable, and then when the carriage has become sufficiently profitable to attract and engage private capital, and engage it in abundance, the Government ought to withdraw.

The reason urged by the President is that we should take advantage of the opportunity offered us to increase our trade with South America now that the European countries are no longer in a position to supply them with goods. So far as the President is concerned, it is merely a means to increase our South American trade, thereby stimulating our industries to greater activity, and he proceeds on the assumption that there are now no ships which can carry our products to these markets. The senior Senator from Ohio [Mr. BURTON] has shown, however, that ships now sail regularly for South America, and that very often they are compelled to sail with only half a cargo. If the ships at present engaged in the South American trade do not always get a full cargo, how is it going to encourage the trade to put on a few more ships, even though the additional ships are owned by the Government? And, so far as the upbuilding of our merchant marine is concerned, it is not clear to me how the placing in commission of several ships owned by the Government is to have any such result.

The President speaks of "the many mistakes by which we have discouraged and all but destroyed the merchant marine of the country" and "the steps by which we have, it seems almost deliberately, withdrawn our flag from the seas," but he does not explain what those mistakes were or what is necessary in order to retrace those steps. It is evident that he refers to past legislation, but in that event it would seem necessary to repeal or amend the obnoxious laws which he holds responsible for the destruction of our merchant marine. If those laws still continue in force, it is to be expected that they will have the same effect in the future as in the past, and if the President is correct in holding them responsible for the decline in our shipping, it is not clear to me how the operation of Government-owned ships will nullify the effect of the law so far as privately owned ships are concerned.

The President did not state what laws he had in mind which had all but destroyed our merchant marine. The Secretary of the Treasury, Mr. McAdoo, appears to take a little different view of the matter. He says in his speech delivered in Chicago the 9th of January:

Much has been said about changing our navigation laws in such manner as to make the field for private capital more attractive. It is said that our navigation laws are so unfavorable and put American shipowners at such a disadvantage that unless they are changed in numerous particulars it will be impossible ever to build up an American merchant marine. * * * It is not, however, practicable to change our navigation laws to the extent which private capital demands, because the principal change relates to the wages of the American sailor.

It is stated that the wage standard for American labor makes the cost of operating American ships so much greater than the cost of operating the ships of other nations that it is impossible for the American shipowner to compete with his foreign rivals. This may be overstatement, but whether it is or not, I think it can be said with certainty that public opinion in this country will never permit the passage of any legislation that will reduce the American sailor to the standard of the Asiatic and European sailor.

If the President is right in his statement that our laws have all but destroyed our merchant marine, and if the Secretary of the Treasury is correct in stating that the principal change demanded in order that private capital may build up our merchant marine relates to the wages of the American sailor, I do not see any ground for the expectation of the President that the passage of this bill would result in attracting private capital into the shipping business. It can be stated with certainty that Congress will pass no legislation to lower the wages of American seamen, and I do not believe that it is the expectation of the supporters of this measure that the establishment of a Government-owned line of ships will result in lowering the wages. If, as shipowners maintain, the cost of operating vessels under the American flag is so much greater than under a foreign flag that it can not be done with profit, how is the fact that the Government owns a few merchant ships going to change this fact? And, on the other hand, if the shipowners are not correct in their contention, if it is possible to operate vessels under the American flag with profit and there are other reasons for our failure to build up a merchant marine, what change would the purchase or construction of a few ships by the Government make in this regard? I can see how a person might support this measure if he believes that there is a scarcity of ships to carry our products abroad which can be remedied only by purchase of ships by the Government, and I can also see how a person might support this measure believing that the only merchant marine which we can have until conditions radically change is one owned by the Government, but I do not see how it can be supported on the ground advanced by the President.

It is of interest at this point to note what the Secretary of the Treasury, S. P. Chase, said in regard to the decline in our shipping in a special report made to the Senate in 1864. He first describes the rise of American shipping:

The United States began an extraordinarily extended and unusually successful commercial career very soon after the establishment of the Government. The condition of Europe for a long period was such that American shipping became of necessity the preferred channel for conducting far the larger share of the commerce of the world. We were not limited to the carriage of merchandise of American production abroad and the return of foreign articles required in our own consumption, but for a series of years entered at and again exported from our ports a larger aggregate of values on account of foreign nations than for the entire use of the United States.

It could not, of course, be expected that with the most rapid and successful development of the United States this ascendancy in general commerce would be maintained, but the facilities obtained by a pre-occupation of extensive and profitable lines of trade between countries possessing no commercial marine directly, and also between these and the commercial and manufacturing States which are their permanent natural markets, should have secured to the shipping of the United States an equal division of all trade between noncommercial States and a share of the carrying trade wherever exclusion by positive legislation does not exist. Still more decidedly should the control of all carrying trade to our own markets have been retained, and the increased consumption of the products of tropical countries necessarily attending on the growth and increasing wealth of the United States might reasonably be supposed to give employment almost exclusively to American shipping.

The large values of foreign merchandise exported from the United States, which are given in detail in another place, necessarily imply the employment of a great amount of American tonnage, since very little of the carrying trade between neutral nations could be in the hands of any belligerent power, and nearly all Europe was long involved in war. Even after the peace of 1815 there were intervals of disturbance, and frequent occasions in which the carrying trade was largely resumed by our shipping.

He then goes on to discuss the gradual passing of the carrying trade into the hands of other nations during the period from 1821 to 1863.

During this period of 42 years there was no marked event in the history of the United States to affect the progressive advance in general trade. It is evident, however, that not only was the foreign carrying trade steadily passing from our shipping to other hands, but also the direct commerce of the United States with all other countries was steadily encroached upon, each year adding a greater number of foreign than of American vessels to the general commercial marine.

Dealing with the causes of this condition, he says:

It may be stated that the loss of the great carrying trade conducted by American shipping during the European wars has more than once received earnest public attention. Two or three European States, and particularly France, almost immediately on the establishment of peace built up a severe system of discriminations against all other shipping than their own. These discriminations were carried to a most injurious length and were the subject of earnest remonstrance. The effect of the action of France is still seen in the remarkably limited amount of our present direct trade with that country, and for other States the results are quite as striking. In a forcible memorial addressed to Congress by the Chamber of Commerce of New York in 1821, the first decisively adverse effects of the new policy of European States is thus stated:

"It is a lamentable fact that more than half the number of vessels lately arrived at this from foreign ports are dismantled, from the absolute absence of any advantageous object of commercial pursuit; and this state of commerce seems the natural and necessary result of the new order of things which has prevailed since the pacification of Europe. Every restraint that lately shackled the navigation of the principal maritime nations of Europe has been removed, whilst the general trade and navigation of those States are, at the same time, regulated with a studious regard to the interests of their own subjects,

so that the United States have not only ceased to be the carriers for Europe but are deprived of the means of entering into a fair competition in the transportation to foreign countries of the principal products of their own soil."

This is a just statement of the adverse action of France, more particularly, by which the United States shipping was first seriously curtailed of its due share of foreign trade. The discriminations then made by France were not in the form of tonnage dues and port charges so much as in specific charges imposed upon American produce imported in American ships.

Regarding the action of the British Government, he says:

The action of the British Government in the same direction was even more frequent and persistent, and though interrupted or in other ways rendered nugatory previous to the peace of 1815, the purpose was frequently and distinctly declared. In January, 1791, the British Board of Trade, in a formal report on commercial relations with the United States, announced the policy of giving signal privileges in British home ports to American ships, but refusing all such equality in the ports of the colonies.

"If Congress should propose that this principle of equality should be extended to the ports of our colonies and islands, and that ships of the United States should be there treated as British ships, it should be answered that this demand can not be admitted even as a subject of negotiation."

"Many vessels now go from the ports of Great Britain carrying British manufactures to the United States; there load with lumber and provisions for the British Islands, and return with the produce of those islands to Great Britain. This whole branch of the trade may be regarded as a new acquisition, and was attained by your Majesty's orders in council before mentioned."

Various countervailing acts of the United States aided to neutralize this policy, as has been said, until after the general peace of Europe in 1815. In a commercial convention with England, concluded July 3, 1815, the United States conceded the chief point in controversy, trusting to the great development of our trade with the British colonies, and the energy with which it had been conducted, to maintain it under any circumstances. The United States agreed to the equalization of all the conditions of their commerce with the British European ports, but left the regulations controlling trade with the British West Indies and American colonies without stipulation. The consequences were soon felt. The British authorities reestablished their old colonial policy, and shut American shipping from the West Indian ports.

The Secretary also calls attention to the greater subsidies paid the British steamships, to which some importance is attached. He ascribed the decline not to any of our laws, but to the restrictions which other nations imposed on our shipping in order to encourage their own. During the years to which he refers there was not an actual decline in the tonnage of our merchant marine engaged in foreign trade—there was usually an increase every year—but each year saw a larger percentage of our commerce carried in foreign bottoms than the preceding year. The Civil War appears to have caused a loss of approximately a million tons, the tonnage engaged in foreign trade in 1861 being given by the Commissioner of Navigation as 2,496,894 and in 1864 as 1,486,749. For a number of years thereafter it appears to have been almost stationary. In the seventies there was a gradual increase, the highest figure being reached in 1878, when 2,855 vessels, with a total tonnage of 1,589,348, were registered. From that year there was a gradual decrease until 1898, when 1,084 vessels, with a tonnage of 726,213, were registered. From 1898 there has been a slow increase until in 1914 we had 2,360 vessels, with a tonnage of 1,066,288. These figures deal only with vessels engaged in the foreign trade and do not include those in the coasting trade. In 1821, 88.7 per cent of our foreign trade was carried in American bottoms; in 1861 this had declined to 65.2 per cent; it fell to 27.5 per cent in 1864; it rose to a little over 35 per cent in 1868 and again in 1870; then it declined steadily until it reached 8.2 per cent in 1901; it gradually rose again to 12.1 per cent in 1905; and since that year has again declined until in 1914 the percentage of our foreign trade carried in American vessels was 8.6. The total value of our commerce carried in American vessels in 1821 was, in round numbers, \$113,000,000; this gradually increased to somewhat more than \$507,000,000 in 1860; in 1865 it had decreased to \$167,000,000; the value increased again to \$353,000,000 in 1870 and again in 1871; it fluctuated between \$300,000,000 and \$350,000,000 until 1879, when it fell to \$272,000,000; it gradually declined to \$160,000,000 in 1899, and then slowly increased until in 1914 it was somewhat more than \$368,000,000.

Just on what the President bases his hope that if this bill is passed and Government ships are put in commission, private capital will then be induced to build up our merchant marine, is not apparent to me. It is true that during the period of the decline of our merchant marine private capital in this country has been abundantly and profitably employed in opening up a large section of our country, in building our great railway systems, and in building up our other industries. This may have had some effect in retarding efforts to rehabilitate our merchant marine. That this is not the only reason, however, is evidenced by the fact that considerable American capital is invested in ships flying foreign flags. If, as has often been stated, the main reason is that cost of operation under the American flag is so much greater than under other flags that

our shipowners can not for that reason compete with foreign shipowners, then the only way in which we shall ever get a foreign merchant marine will be by paying for it, in the form of subsidies or by operating Government-owned vessels at a loss or by paying higher rates on goods shipped in American vessels. The Underwood Tariff Act undertook to do this by discriminatory duties on goods shipped in foreign bottoms, but because of our treaties with other countries this provision can not be enforced. It is hardly necessary to point out that that was only an indirect subsidy. We have hitherto been content to leave the matter as it is, reflecting that if foreign Governments by the payment of subsidies make it impossible for our shipowners to compete successfully in the ocean carrying trade, we are to some extent compensated by the cheaper ocean rates.

While the President urged the passage of this bill in order to encourage trade with South America and attract private capital into the shipping trade—and I suppose this is the real reason why such a desperate attempt is made to pass it, as such attempt would not be made unless the President insisted on it—the arguments now urged are mostly that there is an absolute lack of ships to transport our goods to other countries, and that the shipowners have taken advantage of the present conditions to increase the rates. So far as the latter contention is concerned, I believe it to be a fact that the rates are at this time higher than they have been formerly. Ocean rates, however, are subject to violent fluctuations, and I understand that they are uniformly higher in the winter than in summer. While the higher rates have been severely condemned on this floor, I do not know that any attempt has been made to find out to what extent they are justified. It must be remembered that the dangers to which navigation is exposed at this time, the higher insurance rates, the reported congestion of freight at the docks in Europe, resulting in long delays in unloading, would naturally result in increasing the ocean rates. I do not mean to say that there have not been unwarranted increases in ocean rates—I do not have any data at hand which would warrant me in making a statement either way—but the mere fact that rates have increased is not in itself necessarily proof of their unreasonableness.

The war has resulted in diminishing the merchant marine of the world by practically all of the German shipping. That does not necessarily mean, however, that we are now short of carrying facilities for our commerce to the extent in which our goods were formerly carried in German ships. It must be remembered that with the industries of the great commercial countries of Europe paralyzed the commerce of the world can be carried in fewer ships than formerly. During August, the first month of the war, our exports fell off greatly, being but \$110,000,000 in round numbers, as against \$154,000,000 in July. They increased to \$156,000,000 in September, to \$194,000,000 in October, and to \$205,000,000 in November; the exports in November, 1913, were of the value of \$245,000,000. For December a statement given to the papers last week shows that the exports regained the figures of December a year ago, which were in round numbers of the value of \$233,000,000. I wish to insert at this point a clipping from the Washington Star containing the statement referred to:

SHOWING OF EXPORTS IN DECEMBER REPORT—DECREASE IN FINISHED PRODUCTS OFFSET BY GAINS IN MANUFACTURED FOODSTUFFS.

December, 1914, exports of manufactures regained the level shown by December of the preceding year, a decrease of 10 per cent in finished manufactures being more than offset by the gains in manufactured foodstuffs.

In certain lines of manufactures, however, the exports during the month of December, 1914, show phenomenal gains over those of December a year earlier, as, for example, in the case of commercial automobiles, the value of which advanced from \$101,000 to more than \$3,000,000; cotton knit goods, from \$295,000 to more than \$2,000,000; woolen clothing, from \$183,000 to one and one-third million dollars; other woolen goods, including blankets, from \$103,000 to more than \$2,000,000, and rubber boots and shoes, from \$84,000 to \$864,000.

DEALINGS IN MANUFACTURES.

Europe is taking an unusually large proportion of the manufactures now being exported from the United States. Of the four and one-third million dollars' worth of automobiles, including both passenger and commercial vehicles, exported during the month of December, 1914, two and one-half million dollars' worth went to France and \$1,000,000 worth to the United Kingdom. Those two countries also took practically all of the metal-working machinery, and England a preponderating proportion of the sole leather exported. Denmark was the chief market for the cottonseed oil cake and meal exported, and England and the Netherlands were the chief markets for the cottonseed oil which left the country during the month of December. Practically all of the 74,000,000 pounds of sugar exported during December went to France, and England and France were the chief destinations of woolen clothing, blankets, and other manufactures exported during the month to the value of more than \$4,000,000.

It appears probable to me that the decrease in our exports was due to the disorganization of the industrial and commercial systems of the great countries of Europe on the sudden outbreak of the war rather than to a lack of ships to carry our trade. I think the case of Canada will illustrate this point. In Sep-

tember, 1913, our exports to Canada were almost \$31,000,000; in September, 1914, not quite \$26,000,000, or a falling off of \$5,000,000. This certainly can not be attributed to a lack of ships. In October, 1913, their value was \$33,000,000; in October, 1914, \$23,500,000, or a falling off of nine and a half million dollars. In November, 1913, they had a value of \$30,500,000; in November, 1914, \$23,500,000, or a decline of more than \$7,000,000. We certainly can not attribute this to a lack of ships. Our exports to Canada for the three months named were in 1913, in round numbers, \$94,000,000; for the same months in 1914 they had a value of \$73,000,000, or a falling off of \$21,000,000. The decline of our actual trade with Canada was perhaps greater than these figures indicate, as there were great increases in such items as horses and wheat, which it is reasonable to presume were really destined for Europe. At any rate, the falling off in our trade with Canada can not be ascribed to a lack of ships, but must be due to the decrease of her industrial activities caused by the war. And as there can be no comparison between what Canada has suffered in this respect and what the European countries must have suffered, we must expect that the demand of Europe for our goods, other than foodstuffs and such material as is of use in war, will be less than it has been in former years.

While there was a decrease in our exports generally during the first part of the present fiscal year, a great increase is shown in the export of certain commodities. During the months of September, October, and November, 1914, we exported 47,308 horses as against 4,696 for the same months in 1913. During the months, September, October, November, and December, 1914, we exported 10,285,732 bushels of barley as against 1,805,862 bushels during the same months in 1913.

During the same months in 1914 we exported 9,137,702 bushels of corn, as against 2,291,716 bushels for the same months in 1913. We exported 32,402,048 bushels of oats during the same months in 1914, as against 410,859 bushels in 1913. Of wheat, we exported during the same months in 1914, 83,505,446 bushels, as against 28,983,592 bushels in 1913; almost three times as much, and yet there are plenty of ships to carry this tremendous amount of merchandise and foodstuffs. In the export of flour there does not appear to have been much change, 4,081,533 barrels during September, October, and November, 1914, and 3,774,110 during the same months the preceding year. I do not happen to have the figures for flour for December at hand. During the same three months in 1914 we also exported 4,148,392 bushels of rye and 22,980,331 pounds of rice, as against 219,105 bushels and 4,238,036 pounds, respectively, for the same months in 1913. If there is any congestion of traffic, which has been alleged but which has also been denied, at our ports, it appears to me that it might be due to the unprecedented demand for our foodstuffs. If this bill were to become a law and it should result in an addition to the shipping available for carrying our goods abroad, it is possible that when our available surplus of food products has been exported it would be found that our ships could get no cargo. For it must be expected that during the continuance of this war the demand of Europe for our goods, except foodstuffs and material useful in carrying on the war, will continue to be less than in former years. I wish to insert here a clipping from the Washington Star, showing the unusually large exports from New York at the present time:

NEW YORK TOTAL EXPORTS PAST WEEK, \$23,526,602—BUSINESS TO DATE, 1915, EXCEEDS THAT OF SAME PERIOD LAST YEAR, IS REPORT.

NEW YORK, February 10.

Exports at this port in the week ending February 6 are officially placed at \$23,526,602, compared with \$26,272,091 in the week before, according to a customhouse statement made public to-day. This year's exports to date total \$148,146,690, against \$119,413,507 in the same period last year.

Germany's orders were larger than at any period since the European war began, shipments to that country totaling \$1,670,202.

England's shipments for the week were valued at \$4,486,815, and those of France aggregate \$3,191,362; Italy's purchases, largely grain, totaled \$2,238,834.

How completely the Mexican situation has disrupted New York's trade with Mexico is revealed in the statement that exports for the week were next to the lowest of any country reported, being only \$1,380.

We needed no ships to transact business between the United States and Mexico. That decline was not due to a lack of ships.

As this statement shows, the exports from New York during January and the first week of February this year were almost \$29,000,000 in excess of the exports for the same period in 1914, the totals being \$148,146,690 and \$119,413,507, respectively.

The industry which has suffered especially because of the war is, of course, the cotton-growing industry. According to the report of the Census Bureau, the exports of cotton during August, September, October, and November, 1914, were, in round numbers, 1,400,000 bales as against 4,200,000 bales during the

same months in 1913. This was, of course, a tremendous decline—a decline of almost 300 per cent. In December, however, we exported 1,202,115 bales, and in the same month in 1913, 1,230,830 bales, only about 28,000 bales less than a year ago. I wish to insert at this point a table taken from the report of the Census Bureau showing the exports of cotton for December, 1914 and 1913, and also for the five months ending December 31, both years.

The PRESIDING OFFICER (Mr. SHEPPARD in the chair). Without objection, it is so ordered.

The matter referred to is as follows:

Exports of domestic cotton and linters (running bales).

| Country to which exported. | December. | | 5 months ending Dec. 31— | |
|----------------------------|-----------|-----------|--------------------------|-----------|
| | 1914 | 1913 | 1914 | 1913 |
| Total..... | 1,202,115 | 1,230,830 | 2,607,164 | 5,437,480 |
| United Kingdom..... | 572,396 | 473,028 | 1,195,511 | 1,971,402 |
| Germany..... | 47,076 | 326,938 | 48,128 | 1,673,049 |
| France..... | 75,030 | 146,074 | 139,627 | 793,920 |
| Italy..... | 200,028 | 80,621 | 383,797 | 261,755 |
| Other countries..... | 307,585 | 204,169 | 840,101 | 737,354 |

Mr. GRONNA. Mr. President, I read from a newspaper clipping, under date of February 6, the following:

BIGGEST UNITED STATES TRADE BALANCE—FOREIGN BUSINESS SHOWS RECORD WEEK IN FAVOR OF AMERICA.

Foreign trade for the week ended February 6, as reported to the Department of Commerce yesterday by the 13 principal customs ports, showed a balance of \$37,134,226 in favor of the United States, the largest weekly balance on record.

Exports for the week totaled \$59,581,106 and imports, \$22,446,880.

Exports for the past 10 weeks totaled \$519,350,295 and imports \$244,006,550, making a balance of \$275,343,745 in favor of the United States for that period.

Cotton exported during the week amounted to 365,733 bales, making the total for the last nine weeks 2,616,432.

It appears to me that in view of the present large exports, if there is any shortage of ships to carry our goods abroad, it is in all probability only a temporary condition, since our exports will probably decrease when we have sold our surplus foodstuffs.

Our direct trade with Germany, Austria, and Belgium, however, has practically ceased, and our direct trade with Russia has decreased very greatly. Our exports to some of their neighboring countries have greatly increased, however, and it is possible that some of these reach the countries with which we have at present almost no direct communication. For instance, comparing our exports in the months of September, October, and November, 1914, with the exports for the same months in the preceding year, to some of these countries I get the following results: To Denmark, 1913, \$4,368,166; 1914, \$24,459,314, an increase of \$20,000,000 to that small country. To Greece, 1913, \$268,340; 1914, \$4,977,985. To Italy, 1913, \$21,376,699; 1914, \$32,473,259. To Norway, 1913, \$2,533,824; 1914, \$10,846,440. To Sweden, 1913, \$4,445,577; 1914, \$14,995,543, an increase of more than \$10,000,000 to Sweden alone. In the case of Holland our trade shows a decrease, our exports being \$23,999,032 for the three months of 1913 and \$19,043,606 for the same months of 1914. While it is possible that some of our goods are reaching Germany indirectly, it would seem probable that we might sell her more goods if we had a line of American ships reaching her ports directly. The same might also be true of Russia. It might be a question, however, as to whether the fact that we have at present practically no ships plying between our ports and those of Germany and Russia may not be due less to an absolute lack of ships for this trade than to other causes. The reported danger of mines in the North Sea and adjacent waters, the proclaiming by England of the North Sea and that part of the North Atlantic Ocean lying east of a line drawn from the northern point of Scotland to Iceland as a military area or war zone, the danger of the capture and detention, if not confiscation, of the goods carried, and England's avowed intention to prevent even food products from reaching Germany, would all result in deterring shipowners from engaging in this trade.

The passage of this bill is at times urged as an emergency measure, as necessary in order to secure the ships necessary to carry our goods abroad. It may be doubted, however, whether it would result in increasing the number of ships available for the foreign trade. If the German and Austrian ships at present in our ports were purchased, it would, of course, have this result; but there might follow a decrease even more sudden than the increase, since, as we have seen, these ships would be in danger of capture by the English and French. If we leave

these ships out of consideration, there remain only ships which either are now engaged in the ocean-carrying trade or which, it may be presumed, would engage in the foreign trade if the anticipated profits were such as to make the venture attractive. Our coasting fleet contains vessels large enough to engage in the foreign trade, and if the profits in such trade are now as large as some would have us believe, such vessels might be expected to enter this trade even while in private ownership. Moreover, if exorbitant profits are now being enjoyed by the shipowners, they would undoubtedly ask higher prices for their vessels than the Government would be warranted in paying. Such vessels as now sail under foreign flags and are owned by Americans can now register as American ships under the act passed last summer. Merely changing the ownership of ships from private to public will neither increase the number of ships nor their capacity. And as I think it safe to say that it requires at least one year to build a ship of this kind, there could be no immediate increase of our merchant marine if the ships were to be built. And I might further add that if it were to take the President as long to name the members of the shipping board as it took him to name the members of the Federal Reserve Board, or as long as it apparently is going to take to name the members of the Federal Trade Commission, this measure could not by any stretch of imagination be called an emergency measure.

It has also been urged that the ownership of these ships by the Government will give us a number of auxiliary cruisers. If the ships to be purchased or constructed were of the type of the fast passenger steamships, this might be true, but if they are to be of the type best suited for the economical carriage of freight—which I understand to be ships with a speed of 12 to 14 knots—they would be worthless as auxiliary cruisers. I may be mistaken in this. If I am mistaken, I should like to have the Senator from California [Mr. PERKINS] correct me or correct the RECORD.

I have here a letter from Dr. J. E. Boyle, professor of economics and political science in the University of North Dakota, in regard to this measure, which is of interest. Those of you who were here when the reciprocity treaty was pending before the Senate of the United States under the administration of President Taft will remember that Prof. Boyle was here as a witness, advocating reciprocity. I do not want to do Prof. Boyle an injustice, but my information is that he is a free-trade Democrat. I know that he is a great admirer, as we all are admirers, of President Wilson. I want to read the letter from Prof. Boyle. This letter is addressed to me under date of January 28, 1915:

UNIVERSITY OF NORTH DAKOTA,
Grand Forks, January 28, 1915.

HON. A. J. GRONNA,
United States Senate, Washington, D. C.

DEAR MR. GRONNA: In regard to the ship-purchase bill, I have made a great many inquiries about the State as I have addressed farmers' clubs, and I have also talked to men on the street here and to a few advanced students who are recognized for their independent thinking. I may say that I find four classes of opinions on the subject, as follows:

First. A large class say that they are not informed at all on the subject and prefer to wait a few months or a year. They say there is no hurry; no use to do anything yet.

The second class, also a fairly good-sized class, say there is no pressing demand for ships, for there are ships enough now afloat to carry the world's trade, and if our Government should purchase ships it would merely be a "white elephant" on our hands. To purchase and operate such a fleet would be to tax all the people for the benefit of a few people.

The third class of people, who are interested especially in trade with Mexico and South America, say that other agencies must be created first before we secure ships. We must have our agents, with shops and warehouses, exhibition rooms, etc., in the various Latin-American countries, and build up an acquaintance with our goods and a demand for our goods. These critics also say the Government must extend protection to such persons and such property, and not do as the President did in the Mexican affair when trouble arose—tell them to get up and leave the country; that they would not be protected. The arguments of this class of critics, I think, are absolutely sound and impregnable.

The fourth class, who base their objections to the shipping bill on the grounds of the diplomatic complications involved. For instance, there are 8 German ships interned at Boston, 14 in Brooklyn, and others interned at other ports. This subject is now fully covered by international law. Should the United States purchase these ships, put them under the American flag, and send them out on the high seas, they would, of course, be subject to capture—and legally, too—by the British. This would undoubtedly lead to trouble, more or less, with England. I am inclined to attach considerable weight to this argument, especially in connection with the arguments mentioned above.

This rough classification, perhaps, does not include all classes of our citizens. I notice the papers, as the Herald, look at the problem largely on business grounds. If it has not paid private corporations to operate these ships, how can the Government do it successfully? It looks like a good opportunity for the Government to squander a lot of money in a field where business men keep out. It has not yet been demonstrated, so far as I know, that ships are lacking to carry all the goods that are bought and sold. The market is lacking, which must be developed through the long preparatory course mentioned above. We still lack banking and credit arrangements with these prospective customers.

And for the proposition, I may say that I fail to find anyone with convictions at the present time. Not one person that I have met has come out for the shipping bill.

Very ardent Wilson supporters have declined to take any live interest in the bill; as mentioned in case No. 1 above, they are not informed, and think they had better wait a while and not rush into something new and untried. It has points not only of economic but of political disaster as well.

This states the case very briefly but, I think, fairly accurately, as I sense it in this section of the country. I may say I have taken very keen interest in it myself, and have secured all the information I could get. Indeed, the shipping question has been one of special study with me since I first wrote a discussion of it at length in the year 1901.

Sincerely, yours,

JAMES E. BOYLE.

It seems to me, Mr. President, that the words of Prof. Boyle are worthy of serious consideration.

Mr. President, the statement has been made on this floor by a member of the majority that not more than one-half of the Democratic Senators are really in favor of this measure. The statement has also been made on this floor that in the Democratic caucus on this bill it received only 35 votes. That is about one-third of the membership of the Senate. And yet the bill is to be forced through. Why? Because the President wants it. Tuesday's papers contain an account of how a very distinguished gentleman secured the adoption of the bill by the caucus of another body. Why? Because the President wants it.

Mr. President, it appears to me that we shall soon reach a condition of affairs where one Senator with President Wilson will constitute a majority of the Senate, and where one Member of the House with the President will constitute a majority of the House. I have in former years expressed my views on the President's arrogating to himself powers rightfully belonging to Congress, and my views have not changed with the changing of administrations. Some four years ago President Taft secured the passage of the Canadian reciprocity act. In the course of the debate on that measure I said:

The Members of both Houses of Congress, as well as the people at large, have been in the habit of considering that the lawmaking power is lodged in Congress, and that the President has merely the veto power. We have assumed that when the Constitution stated this in plain words it meant just that. Now that this important measure is before us, however, a majority of the Members of the two Houses of Congress cheerfully acquiesce in the assumption of the President that he is the real lawmaking as well as the treaty-making body, and that the Congress has merely the veto power, and that even this veto power should not be exercised free from pressure by the administration. The President has apparently come to the conclusion that he represents the people of this country both as Executive and Legislature, and that the two Houses of Congress are merely two bodies of men provided for by the Constitution, which he can unfortunately not get rid of, but which are to be ignored and coerced whenever he deems it necessary or expedient.

This was a criticism which I made when Mr. Taft was President of the United States.

Mr. President, these words would be mild censure if applied to the present occupant of the presidential chair. When I last read the Constitution, which the President, as well as the Members of the Senate, has taken a solemn oath to uphold and defend, it contained this provision, and the importance which the framers of the Constitution attached to it may be judged from the fact that it is section 1 of Article I:

All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and a House of Representatives.

It does not say that the legislative powers shall be vested in the President, who may allow Congress to ratify his acts. It does not mention the Democratic caucus, whose mandate no Democrat can disregard without being accused of party treason and disloyalty to the President. We have within the last two weeks been treated to severe denunciations of Senators who, having convictions of their own, had the courage thereof; and only last month the President, in a public speech, threatened with condign punishment any Democrats who should attempt in any way to interfere with the work of the Democratic "team," of which he considered himself captain. If it had not been the intention when the Constitution was framed to give the Senate and the House the power to frame the laws, if it had not been the intention to impose this responsibility on them, there would have been no need of these bodies. If the Congress is to do merely the clerical work in connection with legislation, if the real directing force is to be some power outside of the two Houses, if the legislative department of this Government is to do merely as the executive department directs, there is no need of a legislative department. A drafting bureau, or, at most, a small council selected by the President and liable to removal by him, would do the work as well, in less time, and with less friction. The Constitution imposes the duty of legislation on Congress, vests Congress with the power, and with the power must of necessity be the responsibility. For the way in which each Member of either House performs his duties he is answerable to the people whom he is here to represent. He is not responsible to any caucus for his words and his acts; neither is

he responsible to the President or the Postmaster General for the way in which he performs his duties. A Senator may vote in accordance with the dictates of the President or with the instructions of a secret caucus; but when he comes before the bar of public opinion he will find that he individually will be held responsible for his votes and that, although he may voluntarily have surrendered the powers of legislation intrusted to him, he can not divest himself of the responsibility accompanying those powers.

Mr. President, to show that I am not the only one who maintains that legislative power is vested in the Congress I wish to read a letter from one of the foremost citizens of this country, one who only a year or so ago was a Member of this body. The letter is dated February 2, 1915, and is addressed to Hon. MILES POINDEXTER, United States Senate, Washington, D. C.:

FEBRUARY 2, 1915.

Hon. MILES POINDEXTER,

United States Senate, Washington, D. C.

My DEAR SENATOR: Permit me to congratulate you as one of our consistent advocates of truly popular and representative government in your cooperation with other Republican Senators and a few independent Democrats in rebuking the President's unjustifiable efforts to dictate to Congress what legislation shall be enacted.

From a fundamental standpoint of government yesterday's vote on recommitment of the shipping bill is the most important action taken by the present Congress, for it is a declaration to the country at large of the legislative independence of Congress, the only branch of our Government directly elected by and directly accountable to the people of this country.

Before entering upon the duties of his office the President of the United States took an oath pledging himself to "preserve, protect, and defend" the Constitution of the United States. Section 1, Article I, of that Constitution declares:

"All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives."

It is frequently stated that certain legislation will be enacted because it is the wish of the President, and that other legislation will not be enacted because the President is opposed to it.

The entire spirit and letter of the Constitution shows clear intention that Congress shall be free from intimidation; that it was the purpose that Congress should make the laws and that the President should execute them. Indeed section 6 of Article I declares that for any speech or debate in Congress Members shall not be questioned in any other place. While it is not permitted that Members be punished by fine or imprisonment for speech or debate in Congress, yet it has been charged that Presidents have rewarded or punished Members of Congress through the distribution of patronage.

If the legislative power vested in a Senate and House of Representatives is to be exercised honestly and intelligently, the Members of the two Houses must be free to vote in accordance with their own best judgment, being held accountable only to the people of their own State. Any interference with the free expression of the opinion of Members of Congress by their votes upon measures is a direct attack upon that section of the Constitution which declares that—

"All legislative powers herein granted shall be vested in a Congress which shall consist of a Senate and House of Representatives."

This quotation is a part of that Constitution which every President of the United States has taken an oath to "preserve, protect, and defend." No President can interfere with the exercise of legislative power by Congress without violating his oath of office, a violation as direct and as complete as any other unlawful act by any other officer of the Government. No individual that has ever lived or that ever will live is qualified to be despotic ruler of 100,000,000 people.

I read with much interest Mr. Samuel G. Blythe's interview with President Wilson, appearing in the Saturday Evening Post of January 9, 1915, and was particularly impressed with the following declaration made by President Wilson:

"I may be lonely because of the necessities of my place; but my vision is clearer than it would be were I surrounded by a group—any group—of well-meaning and zealous friends with interests of their own."

An analysis of this statement reveals three of Mr. Wilson's great weaknesses:

First. Accentuated egotism in the assumption that he knows it all and can learn nothing from anyone.

Second. Acknowledged timidity and lack of confidence in his own judgment and ability because he is afraid he would be influenced by others should he talk with them.

Third. A clearly expressed suspicion that his friends are less patriotic than he and more likely to be guided by self-interest.

No man with such ideas is qualified to be dictator over 100,000,000 or any other number of people.

Cordially, yours,

JONATHAN BOURNE, Jr.

Mr. President, there are times when it may seem that established bureaucracy and Executive interference marks the beginning of the destruction of our democracy and the usefulness of Congress as a legislative body. But let us not forget that these positions are only temporarily held by men selected by the people as servants to carry out their will; but if that is not done, the people have a complete remedy and they will use it at the proper time. I believe, sir, that the people of this Government will not permit any individual, no matter how high a position he may hold, to override the Constitution of our country.

Mr. FLETCHER and Mr. SMOOT addressed the Chair.

The VICE PRESIDENT. The Senator from Florida.

Mr. FLETCHER. I move that the Senate proceed to the consideration—

Mr. SMOOT. Will the Senator yield for just a moment? There are a number of Senators who are absent and who did

not expect to be in the Chamber until half an hour or so from this time. I merely wish to suggest the absence of a quorum, not for delay, but that they may be here.

Mr. FLETCHER. I understand, but let me state my motion first. I move that the Senate proceed to the consideration of Senate bill 5259 and the amendments of the House thereto. Now the Senator can call for a quorum.

Mr. SMOOT. Now I suggest the absence of a quorum.

The VICE PRESIDENT. Is there any objection to laying the bill before the Senate?

Mr. SMOOT. No.

The VICE PRESIDENT. Then the bill is before the Senate, and the Secretary will call the roll for a quorum.

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

| | | | |
|-------------|-------------|----------------|--------------|
| Ashurst | Gore | Martine, N. J. | Smith, Ga. |
| Bankhead | Gronna | Nelson | Smith, Md. |
| Borah | Hardwick | Norris | Smith, Mich. |
| Brady | Hollis | O'Gorman | Smoot |
| Brandeggee | Hughes | Oliver | Sterling |
| Burleigh | James | Overman | Sutherland |
| Burton | Johnson | Owen | Thomas |
| Camden | Jones | Page | Thompson |
| Catron | Kern | Penrose | Tillman |
| Chilton | La Follette | Perkins | Townsend |
| Clark, Wyo. | Lane | Pittman | Vardaman |
| Culberson | Lea, Tenn. | Ransdell | Warren |
| Cummins | Lee, Md. | Reed | Weeks |
| Dillingham | Lewis | Robinson | White |
| du Pont | Lippitt | Root | Williams |
| Fall | Lodge | Sheppard | Works |
| Fletcher | McCumber | Sherman | |
| Gallinger | McLean | Shields | |
| Goff | Martin, Va. | Simmons | |

Mr. VARDAMAN. I desire to announce the unavoidable absence of the senior Senator from Oregon [Mr. CHAMBERLAIN] on account of illness.

Mr. WHITE. I wish to announce that the junior Senator from South Carolina [Mr. SMITH] is absent and is paired with the Senator from Kansas [Mr. BRISTOW].

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

Mr. SMITH of Georgia. Mr. President, I had expected at this time to address the Senate at some length in support of the House amendments to the Senate bill and the bill as it comes from the House, but in view of the fact that it seems entirely probable that the measure can now be referred without further discussion to conferees I shall not take up the time of the Senate to carry out my original purpose.

I wish, however, to put into the RECORD a letter from the Secretary of the Treasury pointing out the vessels that he considers within reach of the company to be organized under the bill, and also giving the status of the War Insurance Bureau.

I wish also to add a statement of the policies issued by the War Risk Insurance Bureau, the insurance carried by it, the premiums received, and the earned premiums up to the present time, and to add in addition a statement showing the cotton exportations from August to February 17, beginning in 1913 and 1914.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is as follows:

TREASURY DEPARTMENT,
Washington, February 9, 1915.

MY DEAR SENATOR: In reply to your verbal inquiry:

1. I am advised that cargo ships can be built in English shipyards at \$50 per ton dead-weight capacity, and that the same ships can be built in American shipyards at \$65 per ton dead-weight capacity. Eighty ships of 5,000 tons dead-weight capacity each could be built in English shipyards for \$20,000,000; 61 ships, at \$65 per ton dead-weight capacity, could be built in American shipyards for a little less than \$20,000,000, or a total of 141 ships of 5,000 tons dead-weight capacity could be built within \$40,000,000. I am advised also that probably 100,000 tons dead-weight capacity could be turned out in American shipyards within 12 months, and that probably 200,000 tons dead-weight capacity could be turned out in British shipyards within 6 months, and that probably 100,000 tons dead-weight capacity could be turned out in British shipyards within 90 days after receipt of orders. We are offered ships of various registry—English, French, Italian, Norwegian, Swedish, and Danish—the price depending largely upon their age. They are being sold, I am told, at from \$30 to \$50 per ton dead-weight capacity. Many ships could undoubtedly be bought, so that it would not be necessary to depend wholly upon American and foreign shipyards for vessels if the shipping bill should pass.

2. As to war-risk insurance, I send you a statement, dated February 9th, from Mr. J. Brooks B. Parker, assistant director (marked Exhibit 1), containing information which I think you will find of interest and showing that the \$5,000,000 of working capital granted to the Bureau of War-Risk Insurance by Congress is a very small part of the capital invested in private corporations engaged in marine and war risk insurance business. Notwithstanding this fact, the rates made by the Government War-Risk Insurance Bureau have had a potential, if not dominating, influence upon the rates made by all companies on war-risk insurance. The Government War-Risk Insurance Bureau is the only one that will insure any ship to Germany. This has enabled us to send cotton cargoes to German ports. The Assistant Director of the War-Risk Insurance Bureau says that before the Government engaged in this business the rates charged by private corporations were almost prohibitive, running as high as from 25 to 30 per cent for risks

through the North Sea, 10 per cent to South American points, and from 15 to 20 per cent to India or the Far East.

I also inclose a memorandum showing the number of policies, total amount insured, the premiums collected, and the premiums earned to February 15, Bureau of War-Risk Insurance. From this you will see that there have been issued 872 policies; that the total amount insured was \$54,100,031; total amount of premiums collected, \$1,437,425.09; premiums actually earned to date (on expired risks), \$584,747.34. The total cost of conducting the bureau since its creation has been approximately \$7,000. No losses have yet been incurred.

TREASURY WAR-INSURANCE BUREAU—MEMORANDUM OF BUSINESS DONE.
Policies issued, Sept. 2, 1914–Feb. 15, 1915..... 872
Total amount insured..... \$54,100,031.00
Premiums on same..... 1,437,425.09
Of the above amount the earned premiums (on \$23,-
285.16) are..... 584,747.34

Cotton exportations.

| Months. | 1914 ^a | 1913 |
|------------------|-------------------|-----------|
| August..... | 21,210 | 257,172 |
| September..... | 125,778 | 930,328 |
| October..... | 497,180 | 1,517,838 |
| November..... | 760,929 | 1,501,259 |
| December..... | 1,202,115 | 1,230,830 |
| January..... | 1,372,175 | 1,052,272 |
| February 17..... | 651,282 | 1,375,000 |
| Total..... | 24,097,611 | 6,864,752 |

^a Approximately. ^b 68,000 bbls are included in these figures.

Mr. SMITH of Georgia. The shipping bill which has passed the House is a substantial improvement upon any of the bills heretofore considered by the Senate. It permits the shipping corporation to handle the ships as an emergency measure during the European war and for two years thereafter. Then the ships are to be turned over to the Secretary of the Navy. Those immediately required by the Navy will be used as a part of the Navy. The Secretary of the Navy, with the approval of the President, can establish one or more mail lines to South America and to Europe. It is perfectly clear that the mail lines which are to be operated by the Navy Department should not use, under the plan of the bill, any large number of the vessels which are to be purchased. The balance of the vessels the Secretary of the Navy, with the approval of the President, can lease out to individuals, firms, and corporations for use as merchant vessels.

This shipping bill deserves support for three reasons:

First. It will meet the great emergency brought about by the war which has made it difficult to obtain ships for our foreign commerce and has increased so much the cost of shipping. The importance of this commerce will be realized when we remember that for the year ending July 1, 1914, it amounted to \$3,750,000,000.

Second. This bill will furnish a splendid addition to our Navy, for the vessels, even when leased for merchant shipping, are to be subject to requisition for naval and military purposes.

Third. It will stimulate the development of our merchant marine, both through the mail routes established and through the vessels leased for freight transportation. I shall defer a discussion of the subject until a later date.

Mr. BANKHEAD. Mr. President, I believe the pending question is the motion of the Senator from Florida to refer the pending shipping bill to conferees.

The VICE PRESIDENT. The pending question is on disagreeing to the House amendments.

Mr. FLETCHER. I understand that the motion to take up the bill has been declared carried.

The VICE PRESIDENT. The bill is before the Senate.

Mr. FLETCHER. The bill being before the Senate, I desire to make a motion—

Mr. BANKHEAD. I have the floor. I desire to offer an amendment.

The VICE PRESIDENT. The Secretary will state the amendment.

The SECRETARY. It is proposed to amend the amendment of the House as follows:

Amend section 9 of the amendment of the House as follows: Strike out all of said section after the word "except," in line 6, and substitute in lieu thereof the following: "All vessels purchased or constructed under the provisions of this act shall be entitled to engage in the coastwise trade of the United States."

Mr. FLETCHER. Mr. President, I move to lay the amendment on the table.

Mr. BANKHEAD. On that I demand the yeas and nays.

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

Mr. JONES (when his name was called). During the temporary absence of the Senator from Virginia [Mr. SWANSON] I am paired with him and therefore withhold my vote.

Mr. SIMMONS (when his name was called). I have a general pair with the junior Senator from Minnesota [Mr. CLAPP]. I transfer that pair to the Senator from Louisiana [Mr. THORNTON] and vote "yea."

Mr. WHITE (when the name of Mr. SMITH of South Carolina was called). I am requested to announce the absence of the Senator from South Carolina [Mr. SMITH] and to state that he is paired with the Senator from Kansas [Mr. BRISTOW].

The roll call was concluded.

Mr. LIPPITT. I have a general pair with the Senator from Montana [Mr. WALSH]. I presume, if present, he would vote "yea" on this question. I should also vote "yea"; but as I am not sure of that position, I will withhold my vote.

Mr. OLIVER (after having voted in the negative). I voted, not knowing that my pair was absent from the Chamber. I have a general pair with the Senator from Oregon [Mr. CHAMBERLAIN], and therefore withdraw my vote.

Mr. CUMMINS. I desire to announce the necessary absence of the junior Senator from Minnesota [Mr. CLAPP]. As has been stated, he is paired with the Senator from North Carolina [Mr. SIMMONS].

The result was announced—yeas 38, nays 40, as follows:

YEAS—38.

| | | | |
|-----------|----------------|--------------|------------|
| Burleigh | Kern | Pittman | Smith, Md. |
| Burton | Lee, Tenn. | Pomerene | Smoot |
| Chilton | Lee, Md. | Ransdell | Stephenson |
| Cummins | Lewis | Root | Stone |
| Fletcher | Lodge | Shafroth | Tillman |
| Gallinger | Martin, Va. | Sheppard | Weeks |
| Hollis | Martine, N. J. | Shields | White |
| Hughes | Myers | Shively | Williams |
| James | Page | Simmons | |
| Johnson | Penrose | Smith, Ariz. | |

NAYS—40.

| | | | |
|--------------|------------|-------------|--------------|
| Ashurst | Crawford | La Follette | Sherman |
| Bankhead | Culberson | Lane | Smith, Ga. |
| Borah | Dillingham | McCumber | Smith, Mich. |
| Brady | du Pont | McLean | Sterling |
| Brandege | Fall | Nelson | Sutherland |
| Bryan | Goff | Norris | Thomas |
| Camden | Gronna | O'Gorman | Townsend |
| Catron | Hardwick | Overman | Vardaman |
| Clark, Wyo. | Hitchcock | Perkins | Warren |
| Clarke, Ark. | Kenyon | Robinson | Works |

NOT VOTING—18.

| | | | |
|-------------|----------|--------------|----------|
| Bristow | Jones | Poindexter | Thompson |
| Chamberlain | Lippitt | Reed | Thornton |
| Clapp | Newlands | Saulsbury | Walsh |
| Colt | Oliver | Smith, S. C. | |
| Gore | Owen | Swanson | |

So the motion to lay Mr. BANKHEAD's amendment on the table was rejected.

Mr. STONE and Mr. LEA of Tennessee addressed the Chair.

The VICE PRESIDENT. The Senator from Missouri.

Mr. STONE. Mr. President, the question now before the Senate is the amendment to admit vessels purchased under the pending bill, if passed, to the coastwise trade, is it not?

The VICE PRESIDENT. That is the amendment proposed by the Senator from Alabama [Mr. BANKHEAD].

Mr. STONE. Mr. President, I do not rise primarily to discuss the amendment, but to take advantage of the opportunity it affords me to obtain the floor that I may read an interesting item which I find in the Washington Post of this morning. It is as follows:

COL. LILLARD A SUICIDE—BOLTED DEMOCRATIC PARTY TO HELP ELECT SENATOR W. O. BRADLEY.

DANVILLE, KY., February 17.

Col. E. W. Lillard, who gained Nation-wide notoriety six years ago when he deserted the ranks of the Democrats and supported the late Senator W. O. Bradley, Republican, in his race for the United States Senate, committed suicide in the attic of his residence here this afternoon.

DESERTED BY OLD FRIENDS.

At the time of the famous Bradley-Beckham race for the Senate, Col. Lillard bolted with three other Democrats from Beckham to Bradley, and this action resulted in the election of Bradley to the Senate. Shortly after Col. Lillard was appointed private secretary to the late Senator. When Senator Bradley died Col. Lillard returned to his old home. Old acquaintances turned from him on account of his bolting his party. He was almost friendless.

For several weeks he had been despondent. He was 55 years old.

Two thousand years ago, in the garden of Gethsemane, Judas betrayed Christ with a kiss. Six years ago Col. Lillard, who had long been a respected citizen of Boyle County, Ky., was elected by the Democrats to the legislature. There he forgot or ignored the pledges and obligations he was under, forsook his party and aided in defeating it at an important juncture. We all know what became of Judas, and we now know what became of Lillard.

Mr. President, I call attention to this incident for the purpose of showing that there is a Nemesis that always pursues or walks by the side of men like Judas and Lillard. My chief purpose in calling attention to it is that it may serve as an

impressive lesson for moralists and teachers in instructing the young who come under their tutelage and guidance as to the value and virtue of fidelity.

Mr. GALLINGER. Mr. President—

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

Mr. STONE. I yield.

Mr. GALLINGER. Does the Senator from Missouri think that the Republicans who voted to elect at least two Democratic Senators to this body, and perhaps more, ought also to commit suicide?

Mr. STONE. To whom does the Senator from New Hampshire refer?

Mr. GALLINGER. I said at least two Democratic Senators to this body.

Mr. STONE. I do not know to whom the Senator refers.

Mr. JAMES. But, Mr. President, if the Senator from Missouri will pardon me, there is this difference between those men who were individual voters, to whom the Senator from New Hampshire [Mr. GALLINGER] refers, and Mr. Lillard. I did not care to say anything about this, and had no thought that the Senator from Missouri would do so. Mr. Lillard, when he ran for the legislature, was pledged to support Gov. Beckham. I spoke in his home town. He was present. I advocated his election as a Democratic nominee, and stated that he had authorized me to say that if he should be elected he would support Gov. Beckham as the Democratic nominee, who had been nominated in a State-wide primary for the United States Senate. Mr. Lillard himself rose in the audience and said that that was true; that he would support Gov. Beckham as the nominee of the party.

Now, there is quite a difference between a Republican or a Democrat casting his own vote for whomsoever his choice may be and one who accepts a trust upon the condition that he would carry it out in good faith; and that was the situation with Mr. Lillard. He was the trustee of an express trust, which was to support Gov. Beckham.

Mr. GALLINGER. Mr. President, if the Senator from Missouri will permit me—

Mr. STONE. Mr. President, I must decline to enter upon a political discussion. My purpose, as I have stated, is to use this significant, tragic, and impressive incident with the hope that it might be taken up and employed by the teachers of the young—

To point a moral or adorn a tale.

I did not want the incident to be lost by a passing notice in a great newspaper. So tragic a thing as this can be utilized to good advantage in impressing a very important lesson on the minds of the rising generation.

Mr. President, speaking now to the immediate matter before the Senate, I desire to say, what I have frequently said on the floor of this body, that, if I could, I would admit American ships, American registered vessels, whether made in the United States or elsewhere, if they are owned in the United States and rightly fly our flag, to the coastwise trade. The monopoly of the coastwise business is one I should like to break up; but, Mr. President, every Senator here knows that this amendment was introduced, as other like amendments can be introduced, for at least two purposes—one with the hope of embarrassing Senators on this side who think about the coastwise shipping business as I do, but, primarily and chiefly, with the hope of loading down the bill with amendments that would still further obstruct its passage.

I do not know—and therefore do not assert—whether the distinguished Senator who offered the amendment would vote for this amendment if it were separately presented to the Senate; in other words, whether seriously he favors it. I do not know as to that. I do know, as all of us do, that it is an old parliamentary trick to offer amendments with a view to embarrassing a pending measure which the Senators offering them do not seriously favor. We have seen that done time and again. I do not say that that is true in this case, for I do not know.

Mr. JAMES. Well, Mr. President, does the Senator from Missouri believe that the Senator who introduced the amendment, the Senator from Alabama [Mr. BANKHEAD], would support the pending House bill to its final passage with this amendment added to it?

Mr. STONE. I can only say as an expression of belief that the Senator from Alabama would not support the bill even with this amendment or any other amendment added to it that did not absolutely destroy its meaning and effect.

Mr. JAMES. I was going to suggest to the Senator that, in my judgment and my belief, the Senator from Alabama [Mr. BANKHEAD] would not support this bill with this amendment added to it, and the Senator—

Mr. GALLINGER. The Senator is not asking a question, Mr. President, and I rise to a point of order.

Mr. JAMES. The Senator from Alabama [Mr. BANKHEAD] is in the Chamber and he can speak for himself. If he would support this bill with this amendment added to it, I should like to have him say so.

Mr. GALLINGER. Mr. President, I will remind the Chair that I was taken off the floor yesterday because of what was ruled to be an infraction of the rules.

The VICE PRESIDENT. Yes; the recent rigid rulings of the Senate have been that an interruption can only be for a question; otherwise, the Senator yields the floor.

Mr. STONE. Very well, Mr. President, I will observe the rule; I wish it enforced, and I yield the floor.

Mr. WARREN. Mr. President—

The VICE PRESIDENT. The Senator from Wyoming.

Mr. WARREN. Mr. President, referring to the historical parts of the comments of the Senator from Missouri [Mr. STONE] and their application, as I understood them as he went along, and as I presume others understood them, and as he doubtless intended everyone to understand them, I want to add, in a historical way, that in January, 1891, there was a matter pending before the Senate which had been pending for nearly two months—the force bill, so called—and there was in the Senate what was designated as a “filibuster.” The Republicans at that time were in the majority, and, consequently, the Democrats in the minority. After a long discussion of the question six Republican Senators voted with the Democrats to displace the measure then before the body, the force bill, and take up the reapportionment bill. In looking over the history of that contest we are reminded that of the six Democrats all of them were reelected once and some twice or more times, with the single exception of one from Minnesota, who served six years afterwards; and while five of those Senators were reelected, I and also others who stood with those of the Republican Senators who undertook to force upon an unwilling public an obnoxious measure went out of the Senate; we failed to be reelected. I simply desired to make that addition to the Senator's historical statement.

Mr. REED. Mr. President—

The VICE PRESIDENT. The Senator from Missouri.

Mr. REED. Before the vote is taken on the pending question I desire to make a statement, which will probably not exceed two or three minutes.

It is well known that on several occasions I have endeavored to open the coastwise trade to vessels wherever built. I will welcome any opportunity to accomplish that end. In addition to what my colleague has just said, and adopting what he said with reference to this particular amendment, I want to add that the proposition to admit vessels to the coastwise trade is made by the Senator from Alabama, who has been one of the seven Democrats who have consistently and persistently refused to cooperate with the Democratic Party in passing this bill. With the help of those seven men, earnestly given, this bill could have been long since passed.

I now desire to say that if the seven Democrats who have acted with the Republicans will agree to support this bill with the pending amendment added, I shall vote for the amendment, and I think I can say that it will get unanimous Democratic support, or nearly so; and I desire to ask now if the seven, or any one of them, will rise in the Chamber and state that, with this amendment added, he will support the bill? I pause for a reply.

Mr. President, I make the further proposition, the one I just made not being accepted, that if three of the seven will rise and say they will support the bill with this amendment added, I shall vote for the amendment. I pause for a reply.

I desire to make the further proposition that if two of them will rise and say they will support the bill with this amendment added, I shall vote for the amendment. I pause for a reply.

I desire now to make this proposition, that if the Senator who offered the amendment [Mr. BANKHEAD] will rise in his seat and say that with this amendment added he will join with the rest of the Democrats to try and make this bill a law, I shall vote for his amendment.

I pause now to ascertain whether any of these distinguished Senators will give us their pledge.

Mr. LA FOLLETTE. Mr. President—

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

Mr. REED. In a moment. I am not making these propositions to place anyone in an unpleasant situation, but the time has arrived when we ought to know where we are standing. If this amendment is offered merely to place an additional

obstacle in the way of the bill by an enemy of the bill who wants to thus defeat the bill, of course we ought to vote against it; but if it is offered in good faith to strengthen the bill and to bring it votes, if its author will stand on the floor of the Senate and say he will support the bill with that amendment added, I shall vote for it, and I think we will get enough votes for it on this side to pass it.

Mr. LA FOLLETTE. Mr. President—

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

Mr. REED. In a moment I will. If there are five Senators on the other side of the Chamber who will agree to support this bill and join with us in passing it, I shall vote for this amendment; if there are four on the other side who will rise and say they will support this bill and stand for it and fight for it, I will agree to vote for the amendment; if there are three who will agree to stay with us and fight for this bill and stay here night and day to pass it, I will vote for this amendment. I pause for a reply.

I now yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. I rise, Mr. President, to inquire of the Senator whether he knows of any Senator who has been supporting this bill who will vote against it, provided this amendment is adopted?

Mr. REED. I do not know. In the present situation I do not feel that it is safe to vote for the amendment, coming from the source it does. I respect the source personally, but I do not respect the source so far as his intentions toward this bill are concerned.

Mr. THOMAS. Mr. President—

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

Mr. REED. I do.

Mr. THOMAS. I interrupt for the purpose of calling attention to the manner in which the vote upon the motion to lay upon the table was taken, as it is entirely appropriate to the subject matter of the remarks of the Senator from Missouri.

Mr. REED. Mr. President, I yield the floor.

Mr. THOMAS. During the roll call a great many votes upon the Republican side were recorded against laying this motion upon the table, until it was perfectly obvious that the motion would be defeated. It was then quite significant to see so many stalwart, stand-pat Republicans rise on the floor, obtain recognition, and announce that they had voted to table the bill, not to table the amendment, under a misapprehension, and therefore they desired to change their votes, it being evident that the motion was lost.

Mr. GALLINGER. Mr. President—

The VICE PRESIDENT. The Senator from New Hampshire.

Mr. GALLINGER. I was one of those who changed my vote, and I will say to the Senator from Colorado that I changed it in good faith. I did vote under a misapprehension. There were a couple of other Senators who made the same statement, and I presume they were equally as honest as I was.

Now, Mr. President, just a word. I think it unfortunate that the Senator from Missouri brought into the Senate this tragic incident that occurred on yesterday. It is not a very pleasant message to send to the family of that poor man. A great many other men have committed suicide, and their action had not any relation whatever to political matters; and I apprehend that if the facts in this case were known what that man did on a certain occasion very likely had nothing to do with the act he committed. I simply rose to say that much on that point.

As to the proposed amendment, there is no concealment on my part on the question of invading the coastwise shipping of the United States. It is prosperous, and it has recently given about 40 ships, steam and sail, to the over-seas service of the country and has rendered a great service. The business of domestic shipping is at the present time very much depressed because of the industrial situation; and under the circumstances it seems to me it would be a very unwise thing to adopt the amendment that has been offered by the Senator from Alabama. For that reason I shall vote against it, and I trust the majority of the Senate will vote against the amendment.

Mr. WILLIAMS. Mr. President—

The VICE PRESIDENT. The Senator from Mississippi.

Mr. WILLIAMS. I want to say that while I am not in the habit of negotiating with the other side, and never have in 20 years, I believe, negotiated with them, and while I am not in the habit of negotiating with those on this side who think they are wiser than the school of politics to which they belong, I cordially indorse the proposition made by the junior Senator from Missouri [Mr. REED], and will add my vote to his if the proposition made by him is accepted.

Mr. BRYAN. Mr. President—

The VICE PRESIDENT. The Senator from Florida.

Mr. BRYAN. The remarks of the senior Senator from Missouri [Mr. STONE] imply that Democrats who voted against the motion of the Senator from Alabama [Mr. BANKHEAD] were acting in bad faith toward the Democratic Party or toward the Democratic caucus. No such motives moved me. I had the privilege in the Democratic caucus of moving to change the language of the shipping bill so that ships owned by the Government of the United States should have an equal right in the harbors and along the coasts with ships owned by individual citizens of the United States. This is not the bill that was in the Democratic caucus, and I felt at perfect liberty to vote upon this motion of the Senator from Alabama as I chose to vote.

It is a humiliating thing, and it will be more humiliating to the Democratic Party if this bill becomes a law, for the citizens of the United States to contemplate the proposition that a vessel of the United States can not carry merchandise between the ports of the United States built up, improved, and maintained by the United States. If this bill becomes a law, the line of vessels running from Habana to New York City, while permitted to touch at the ports along the coast, at Key West, Jacksonville, Savannah, Charleston, and Norfolk, could not take on goods destined for the port of New York. It would suit me very much better if permission to do so could have been written into this bill.

The senior Senator from Missouri is mistaken in thinking that those of us who did not vote with him upon the motion of the Senator from Alabama can be compared to a traitor. Sir, usually the two Senators from Missouri are in accord; but immediately upon the conclusion of the speech of the senior Senator from Missouri the junior Senator from Missouri rose and stated that he would vote for this amendment if enough votes could be obtained to agree to the conference report on the final vote. I ask if the senior Senator from Missouri would like to characterize his colleague in the manner he undertook to characterize other Senators?

Mr. REED. Mr. President, will the Senator yield to me for a moment?

Mr. BRYAN. Not just now. When the junior Senator from Missouri took his seat, the senior Senator from Mississippi [Mr. WILLIAMS] rose, and said that he, too, felt at liberty to vote to sustain this proposition, notwithstanding any caucus that had taken place. Now, Mr. President, it is well known that the senior Senator from Mississippi and the junior Senator from Missouri have been among the most ardent advocates of the pending bill, and the remarks of the senior Senator from Missouri would apply to them equally as they would to those of us who wanted to make it possible for a vessel of the United States to have rights at least equal to the rights of a vessel of a citizen of the United States. But, sir, it seems to me that the junior Senator from Missouri, in the invitations he extended for the voluntary statement of the votes of Senators, demonstrated that it is not the purpose to put this bill in shape where it could be passed, but that it might be the purpose of those who would vote to adopt this amendment to embarrass the bill so that it could not get enough votes to pass.

I am sorry, sir, if that be so. For one, it was a matter of chagrin to me that the conference report on the emergency act of August last was defeated in the Senate, because the laws relating to the coastwise shipping were liberalized.

Mr. REED. Mr. President, will the Senator yield to me for a remark?

Mr. BRYAN. In just a minute I will. I think the junior Senator from Missouri has tested the matter out sufficiently to show that the purpose is not to accomplish anything; and therefore I rose to say that on the vote upon the amendment of the Senator from Alabama, unless somebody will get up and say they will give us enough votes to pass the bill in that shape, it is my purpose to vote against his amendment.

Mr. REED. I simply started to say, in the absence of my colleague [Mr. STONE], that I thought the Senator had put an entirely wrong construction on his remarks, but I see that my colleague is here now.

Mr. BRYAN. I put no construction upon the remarks of the senior Senator from Missouri. There is no room for construction.

Mr. SMITH of Georgia. Mr. President—

The VICE PRESIDENT. The Senator from Georgia.

Mr. SMITH of Georgia. Mr. President, I voted against laying upon the table the amendment of the Senator from Alabama [Mr. BANKHEAD]. I should be exceedingly gratified to see the House bill passed with that amendment; but, as has just been stated by the Senator from Florida [Mr. BRYAN], it can hardly be hoped that the purpose or effect of that amendment would

give any strength or bring an additional vote to the House bill. I am exceedingly anxious to see the House bill passed, and I shall not cooperate with those who are opposed to it, nor will I follow their suggestions with reference to amendments, even if I would like to see the amendments become part of the bill. I fear to load the bill down with amendments which may contribute to its defeat.

We all remember the lines from Virgil. They are applicable here:

Timeo Danaos et dona ferentes.

Mr. LANE. Mr. President, I voted against the motion to lay the amendment offered by the Senator from Alabama on the table for the reason that I believed in the principle which I supposed is presented. The people of the Pacific coast are suffering from high freight rates at this time. There was a shipper from the Pacific coast here two days ago who informed me that he paid higher freight rates than he would pay if he shipped around the Horn; if he ships through the Panama Canal, much higher than when he used the Panama Railway; and that of late all shipments have been refused. Through some understanding between the railroad companies and the steamship companies, he is compelled to ship by rail at a greatly increased cost.

I will vote for any amendment to this bill which will put that shipping in the hands of the Government, and I am going to say that I believe it would be more important to the people of this country and a greater benefit if the bill were confined to that single purpose, for we would be within our own waters; we would have no international complications, and we would not be purchasing ships to go through mine fields at the risk of being blown up by mines or submarines, nor would we run the risk of coming into conflict with either Germany or England in their contention. This country would be better off if this body would pass a bill forbidding the shipment of all munitions of war and food supplies to Europe until the war is ended. There are ships flying the American flag under our registry which six months ago were flying foreign flags, for the reason that it paid them to do so, and they are now scuttling across the seas ostensibly loaded with just freight and foodstuffs, while they are actually smuggling, concealed in their cargoes, or openly carrying contraband articles of war; and we are treading gingerly now in an effort to keep ourselves out of international complications.

I am in favor of the bill with or without this amendment, but more so with it, for the reason that I should like to see the Government undertake to control that very profitable industry through which the people of this country now are being mulcted in unholy and extortionate charges.

That is why I voted as I did on the motion to lay upon the table.

Mr. OVERMAN. Mr. President—

The VICE PRESIDENT. The Senator from North Carolina.

Mr. OVERMAN. I voted this evening as I voted in the Democratic caucus. I was overruled in the caucus on that bill. I always stand by the Democratic caucus. I have never failed to do so. When this discussion came up there was a discussion in the cloakroom between some of my Democratic colleagues as to whether that would apply to this particular bill. They all said they did not think so; but it seems to be considered by some of my colleagues here that under the caucuses held as to the other bill we are bound as to this House bill that came over to us. Therefore, although I am in favor of the amendment, when I see that it is going to embarrass the bill, in order to stand with my Democratic colleagues, as I always have done, I propose to vote against the amendment.

Mr. PITTMAN. Mr. President—

The VICE PRESIDENT. The Senator from Nevada.

Mr. PITTMAN. I voted to table the motion of the Senator from Alabama, not because I am not in favor of that principle, for I voted for that principle in the conference, and I regret that it did not carry; but I became satisfied that this amendment was one of the many amendments that have been offered in this body for the sole purpose of delaying and hampering legislation. I do not believe that there is any sincerity in the agreement at this time to refer the bill to a conference committee, as far as getting any action on it before Congress adjourns is concerned.

It is apparent to anyone who has watched the course of this body during the session that it has been the intention of the minority here to prevent legislation on any important matter. They have made of this body, for which they profess so much respect, a farce. For years this body has not been held in the highest opinion by the people of this country; no, not nearly so highly as some of the distinguished Senators themselves hold it. I do not believe the action of this body during

the past session will change that opinion, unless it changes it for the worse.

This is not a legislative body. There is no right of determination of action in this body. It is simply a body in which we talk. It must be apparent that there can not be a legislative body wherein the right to vote is absolutely denied.

The distinguished Senator from New York [Mr. ROOR], in his technical way, with which he is so familiar, has attempted to show that there is a rule that absolutely prohibits this body from forcing a vote. He has done it with all of the skill that he is capable of using, but it does not make any difference whether that be the strict rule of this body or not. If the rule violates the constitutional right of the Members of this body to reach a vote, it must be void. If the inherent right of the representatives of the people of this country to vote on pending measures is denied to them, then this ceases to be a legislative body.

I know that the distinguished Senators on the other side claim that the only function of this body is to talk. That is realized by this whole country. I want to say to them that they could not pass a statute, a rule, or establish a precedent forbidding the right to vote, and yet they attempt to accomplish indirectly that which they could not accomplish by direct action.

When this Congress adjourns on March 4 every bill pending in this body that is not acted upon will die, and the right of every Senator here to vote on those bills that die will be denied, no matter whether it be denied by direct rule or by the subterfuges used by the Senators who are filibustering in this body.

There is a time coming when that question will be settled. I call the attention of the Senators to other matters that were considered beyond the will of the people of this country. I believe, just as firmly as I believe that I stand here, that the Republicans on that side and the Democrats on this side who are denying the legislation that the people of this country want will have to answer to those people at the coming elections. They will not stand the excuses and the subterfuges that are offered to this body. They will look to the facts of the matter, and these Senators will have to answer with regard to those facts.

Why, they say, "If you are not satisfied with these rules, do not violate them—amend the rules," and yet, in the same breath, they claim that they can deny the right to vote on an amendment to the rules by talking until that motion is dead. The absurdity of the thing must appear to anyone. They contend that it is impossible to change the rules, and yet under the rules it is impossible to transact business in this body. They also say that no good measures have ever been killed by a filibuster. Who is to determine that question—the minority? The minority takes the power of determining that question. Let the majority pass the bill, and if it is a bad bill the people of this country will so determine and refuse to return to power the people who voted for such bills. But there are other things besides this shipping bill before the Senate. There are other matters besides these appropriation bills before the Senate. There are to-day on the calendar over 200 bills presented by Senators from all over this country, and they have been lying on that calendar unacted upon for three long months by reason of the filibuster that has been conducted in the Senate, by reason of the ancient privilege of denying a Senator the right to vote by talking to such an extent that a vote can not be had. We have waiting for us here the rural-credits bill, which can not be acted upon. We have before this Congress the seaman's bill, which can not be acted upon. We have the great claims bill before this body, affecting hundreds of people throughout this country, and it can not be acted upon. We have the Philippine bill before this body, and it can not be acted upon. We have reclamation acts throughout this great country of ours, and they can not be acted upon. We have bills here to protect the safety of miners—the miners working in the coal mines and working out there in the hard-rock mines of our State—and they can not be acted upon. We have hundreds of bills pending here to-day that can not be acted upon; and everyone in this country knows, or should know, the reason why they can not be acted upon. They should know that the Senators here who are pretending to defend this ancient prerogative of unlimited debate are not only killing this shipping bill but they are killing all of the legislation demanded by every section of this country. I want to say to them that that can not last and that will not stand before the people of this country.

Mr. SUTHERLAND. Mr. President, will the Senator from Nevada permit me to ask him a question?

Mr. PITTMAN. Yes.

Mr. SUTHERLAND. Let me ask the Senator from Nevada why it is that the Senate did not act on some of these bills that he has enumerated at the first session of this Congress or

at the special session, when we were recessing from Monday to Thursday and from Thursday to Monday for three months, doing nothing?

Mr. PITTMAN. I want to say that nearly all of the filibustering during that time was also done by that side. I want to state that the Senator from Iowa [Mr. KENYON] and the Senator from Ohio [Mr. BURTON] stood on this floor for days and days discussing the river and harbor bill, when the bill that the Senator from Ohio himself presented to this body only differed from the committee bill in a few million dollars out of the many, many millions of dollars. Was that a point of principle with him? Was it one of those great human rights that this prerogative is supposed to protect—a mere matter of whether it should be \$35,000,000 or \$55,000,000?

That was one of the great filibusters of the last session, and that thing has continued on throughout the whole of this session. You have tried to disguise it in one way and in another way. You have talked about the caucus at one time and you have offered amendments and subterfuges at another time; but the fact remains, and you can not deny it, that you have conspired for the purpose of preventing the passage not only of the shipping bill, but of the seaman's bill, the reclamation bills, the great conservation bill in the West, the claims bill, and all of these valuable measures that affect the people of this country.

Mr. FALL. Mr. President—

Mr. PITTMAN. Yes; and you have had in mind at the same time the bill to protect the people of this country against the materials made by convict labor. Oh, no; it is not so much the shipping bill that is getting under your ribs as it is the other bills here that are hanging behind the shipping bill. That question will be known to the people of this country, and the people of this country will call to account at the next election every man that runs that has taken a part in it.

Mr. FALL. Mr. President—

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from New Mexico?

Mr. FALL. Will the Senator yield for a question?

Mr. PITTMAN. I yield.

Mr. FALL. The Senator has referred several times now to the filibuster by the minority, and I have heard that from several other Senators—

Mr. PITTMAN. I beg your pardon; I mean the majority on that side.

Mr. FALL. Well, the majority on that side—is it the idea of the Senator that the proponents of this bill have ever, at any time, had a majority in this Senate for the thing that has been brought before this body, or that they have now a majority?

Mr. PITTMAN. I want to say to the Senator that if the Senators on that side had not known that we did have a majority, the filibuster would have stopped long ago.

Mr. FALL. Have you a majority now, do you think?

Mr. PITTMAN. I am satisfied to take a vote, whether we have a majority or not. That is all we have ever asked of you—to take a vote on this bill, whether we have a majority or not.

Mr. LIPPITT. Mr. President, was the Senator satisfied to have a vote in the long week when that side was filibustering against the bill, when the distinguished Senator from Colorado [Mr. THOMAS] stood up in his place and admitted that he was filibustering?

Mr. PITTMAN. I want to say to the Senator that there has never been one moment since I have been here that I have not been willing to go to a vote on this bill. I do care whether the vote goes for or against us, but it would be better that this bill should be killed instantly by a vote outright than that all the important business of this country should cease. That is the question.

Mr. FALL. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Nevada further yield to the Senator from New Mexico?

Mr. PITTMAN. Certainly.

Mr. FALL. I will premise my question with the statement that I have given notice that I should make a speech to-day. I have decided not to make a speech because of the pending question, which relates to this bill. Will the Senator agree to take a vote upon the pending question?

Mr. WILLIAMS. What is the pending question?

Mr. PITTMAN. To satisfy the Senator in this matter and waive all technicalities, I ask unanimous consent at the present time that we proceed to vote upon the Senate bill that is before this body, with the House amendments and all amendments thereto.

Mr. GALLINGER. It is not before the body.
Mr. FALL. In my own time I will express my views upon that subject.

Mr. PITTMAN. Then I ask unanimous consent that we proceed to vote without further debate upon the Senate bill, with House amendments and all amendments to it.

Mr. BANKHEAD. Mr. President—

The VICE PRESIDENT. Is that a request by the Senator from Nevada?

Mr. PITTMAN. I make that request.

The VICE PRESIDENT. As unanimous consent is requested, the Secretary will call the roll.

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

| | | | |
|--------------|----------------|--------------|--------------|
| Ashurst | Gronna | Nelson | Smith, Md. |
| Bankhead | Hardwick | Newlands | Smith, Mich. |
| Borah | Hitchcock | Norris | Smith, S. C. |
| Brandeggee | Hollis | O'Gorman | Smoot |
| Bryan | Hughes | Oliver | Stephenson |
| Burleigh | James | Overman | Sterling |
| Burton | Johnson | Owen | Stone |
| Camden | Jones | Page | Sutherland |
| Catron | Kenyon | Penrose | Swanson |
| Chilton | Kern | Perkins | Thomas |
| Clark, Wyo. | La Follette | Pittman | Thompson |
| Clarke, Ark. | Lane | Pomerene | Tillman |
| Crawford | Lea, Tenn. | Ransdell | Townsend |
| Culberson | Lee, Md. | Reed | Vardaman |
| Cummins | Lewis | Robinson | Walsh |
| Dillingham | Lippitt | Root | Warren |
| du Pont | Lodge | Shafroth | Weeks |
| Fall | McCumber | Sheppard | White |
| Fletcher | McLean | Sherman | Williams |
| Gallinger | Martin, Va. | Shields | Works |
| Goff | Martine, N. J. | Simmons | |
| Gore | Myers | Smith, Ariz. | |

The VICE PRESIDENT. Eighty-seven Senators have answered to the roll call.

Mr. GALLINGER. Mr. President, let the unanimous-consent request be stated.

The VICE PRESIDENT. The Chair understands that the Senator from Nevada has asked unanimous consent to proceed at once to vote upon the bill as it came from the House and all amendments thereto. Is that the request?

Mr. PITTMAN. That is the request.

Mr. GALLINGER. That is, on the bill as it came from the House yesterday?

The VICE PRESIDENT. Yes; the bill now before the Senate.

Mr. GALLINGER. I object.

Mr. SMOOT. I object.

The VICE PRESIDENT. Objection is made.

Mr. ROBINSON. Mr. President, the statement has been made by a number of Senators, who avow themselves as being in favor of the principle of this amendment, that it is offered for the purpose of embarrassing the bill. The Senator from Missouri [Mr. REED] paused in his remarks to ask if there was any Senator on either side of the Chamber who had heretofore opposed the bill who will vote for it with this amendment. I now desire to inquire whether there is any Senator on either side of the Chamber who has been supporting the bill who will vote against it if this amendment is adopted. I pause for a reply. No Senator answers. It therefore appears, Mr. President, that so far as this amendment is concerned it may not affect the vote on this bill.

I shall therefore vote for this amendment. While I am heartily in favor of the shipping bill, I believe that this amendment will materially improve it. I can not vote to buy or build ships at the expense of the people and deny such ships the right to engage in our own commerce.

Mr. President, the proceedings in this body during the last six weeks have caused the people of this country to doubt the capacity of the United States Senate to transact business. It is not my purpose at this time to enter into a prolonged discussion on the subject of filibustering. If the character renowned in fiction, known as Rip Van Winkle, were to appear to-day he would find his counterpart in the membership of the United States Senate. We have under our rules failed to keep pace with the progress of the times, and Rip Van Winkle would be a wide-awake, live, and up-to-date citizen compared with the membership of the United States Senate, judged by the proceedings as demonstrated during the last six weeks of the present session.

Mr. THOMAS. Mr. President—

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

Mr. ROBINSON. I yield for a question.

Mr. THOMAS. Does not the Senator think that if Rip Van Winkle could be restored to life he would make a very worthy Member of this body?

Mr. ROBINSON. Rip Van Winkle slept for many years. The Senate has been asleep for a long time, and it has not yet awoken to the fact that it has lost, or is failing to retain, the confidence of the people of the United States by not keeping abreast of the times with its procedure.

As I said a moment ago, I shall vote for the Bankhead amendment without regard to the purpose which inspired its introduction here, because it has been demonstrated that this bill will lose no votes by it. Every Senator who has spoken on this amendment has declared himself in favor of it, and no Senator has risen on this floor and said that he is opposed to it. Then why not adopt the amendment and let it go to the conference?

While the proceedings on this floor have not disclosed the fact, it is well known to all of us here that an agreement has been reached by which this bill is to speedily go to conference. Let the amendment go to conference along with the amendments of the House to the Senate bill.

Mr. BANKHEAD. Mr. President, I offered this amendment in perfect good faith. I offered it believing that if it were adopted it would improve the bill. Before I offered the amendment I agreed with the distinguished Senator from Virginia and the Senator from Florida that I would not open my mouth in defense or in advocacy of the amendment. I was perfectly willing that it should be submitted to the Senate and let the Senate vote upon it. Immediately, sir, the Senator from Florida moved to table the amendment. The Senate refused to table the amendment. Now, then, the question is on the adoption of the amendment that I offered. That is the question the Senate must vote upon, and why not vote now? Why all this discussion and delay? If a majority of the Senate choose to vote the amendment down, all right, I will not complain. If the amendment goes to conference and comes back, it will not make a particle of difference to me as to how I shall vote. I have said to my colleagues here from the beginning of this controversy that I was willing and anxious to vote for this shipping bill if they would make it a temporary proposition; that if they would confine its life to two years after the conclusion of peace in Europe I would vote for it; and that was all the demand, and it was all the insistence that I have made.

Mr. SMITH of Arizona. Will the Senator allow me to ask him a question? Will the Senator vote for the bill with this amendment on it?

Mr. BANKHEAD. Yes; if this bill comes back from conference and it contains nothing except that which authorizes this board to buy or build ships and operate them for two years, as under the provisions of the bill, and then go out of the business, I will vote for it. Will you?

Mr. SMITH of Arizona. Yes; I will vote for anything that the Democratic Party decides is good for the country. [Laughter on the floor and in the galleries.]

The VICE PRESIDENT. The Senate can not expect the Chair to rebuke the occupants of the galleries while Senators indulge in the same practice.

Mr. SMITH of Arizona. I was asking the Senator from Alabama in good faith if he would vote for the bill with his amendment upon it. Yes or no?

Mr. BANKHEAD. I have answered that question directly. I have said that with this amendment or without it, if the bill came back from the conference with a provision that it is to be a temporary measure, that the Government should go out of the shipping business at the end of two years after the conclusion of peace, and the ships then be disposed of and the Government go out of their operation, I would vote for it, and I say so now.

That is all I have to say now and I am willing to vote. I do not propose to answer any more questions. You can vote or you can keep up this controversy to-day, and to-morrow, and the next day on the proposition whether you will vote yea or nay on the amendment.

Mr. WILLIAMS. Mr. President—

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

Mr. WILLIAMS. No; I am not asking the Senator to yield. I thought he had concluded.

Mr. BANKHEAD. I have concluded.

Mr. WILLIAMS. The Senator from Alabama has just said that if this bill were presented to him with the provision upon it that upon the restoration of normal conditions, or two years after the expiration of war in Europe, the operation of the bill should expire, he would vote for it.

Mr. BANKHEAD. I did not say that.

Mr. WILLIAMS. Then I misunderstood the Senator.

Mr. BANKHEAD. The proposition here is to bring the bill back with the Weeks provision on it, which puts the Government

permanently into the business. Of course I would not vote for it under those circumstances.

Mr. WILLIAMS. I still think I understood the Senator from Alabama correctly and that the record will bear me out. I understood the Senator to say that with or without the amendment which he has just offered, if the bill came back with the provision upon it that two years after the expiration of the war in Europe, or the restoration of peace, for they are synonymous terms, he would vote for it.

As I understand, the House amendments to the Senate bill, rather the Weeks bill, provide that within two years after the expiration of the European war these ships shall be handed over to the Navy of the United States and that the Navy shall use such of them as are suitable for naval purposes and sell, charter, or lease the balance of them. That seems to me to comply tolerably well with the requirement laid down by the Senator from Alabama. But in order to test now the sincerity of the Senator from Utah and the sincerity of other Senators upon this floor, who have been talking very recently, and only very recently asking for a vote, I now ask the unanimous consent of the Senate of the United States to immediately proceed to vote upon the Senate bill and the House amendments, and all other amendments, including this one pending thereto.

Mr. GALLINGER. That is the same request I objected to.

The VICE PRESIDENT. That was objected to about a minute ago.

Mr. WILLIAMS. I understood the Senator from Nevada to ask unanimous consent that the House bill be voted upon. This is a Senate bill, with House amendments. I therefore renew the request in proper form in order that the record may carry out the facts of the refusal upon the other side of the Chamber to consent to a vote.

Mr. GALLINGER and others. Question!

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

Mr. CLARKE of Arkansas. Mr. President, I wish to make a parliamentary inquiry. What is the pending question?

The VICE PRESIDENT. The question is on the amendment of the Senator from Alabama [Mr. BANKHEAD].

Mr. CLARKE of Arkansas. What was done with the request for unanimous consent made by the Senator from Mississippi [Mr. WILLIAMS]?

The VICE PRESIDENT. There was objection made to it.

Mr. CLARKE of Arkansas. Mr. President, I ask the Senate to indulge me at this point for a few minutes. A great many things have been uttered during the course of this discussion that under ordinary circumstances elsewhere would provoke reply, but I established for myself when I came upon this floor certain ideals that I intend to maintain, and I have accordingly appeared to overlook many things that probably were intended for my notice. There are better places and other times when such things can be dealt with, if anyone feels disposed to there enlarge upon some of the suggestions that have been made. So much for that.

If it was the purpose of my associates on this side of the Chamber to find out how the seven Senators who felt unable to support the bill in its present form or in any of the various forms in which it has, from time to time, appeared here stood with reference to any provision contained in it, there was an easy way readily open to them. Some of them have seen proper to postpone to this hour the making of inquiry about this provision concerning the entrance of the Government-owned ships to the coastwise trade. For myself I never assumed that I had more wisdom than all of them, nor that my sense of patriotism was better developed than theirs. I differed from them profoundly about certain matters of policy and principle concerning the operation of Government-owned ships. I determined that, in the present state of the situation to be dealt with, my views were not such that they could be taken from me by caucus action by others as the result of any implied obligation I assumed when I became a Member of the Senate through the agency of the Democratic Party.

I may be permitted to say, in passing, that I am probably one of the few men on this floor who never sought nor received a Republican vote in his life for anything, anywhere, or any time, and I have enjoyed as many honors at the hands of the Democratic Party as any citizen of his State, and many times more than I deserved. I hold certain views of public policy and principle which are just as essentially a part of my nature as any part of my physical body, and I have cultivated the habit of insisting upon these respectfully and within the limits of my rights, candidly and completely recognizing the equal rights of every other person.

I do not take offense at the excessive earnestness and emphasis of Senators who deal in a more spectacular manner with

political and public questions than I do. My range of observation in the world has been a wide one. I have been called upon to touch humanity at many points and to judge it from many angles. As the result of all this, I am forced to say that I find there is much of real honesty and sincerity among all classes, and much sound philosophy at the bottom of nearly all the political contentions that are made by organized groups in this good country of ours. I have therefore grown exceedingly tolerant of differences of political opinion, not only with my own party associates but with those with whom I do not affiliate in the matter of party alignment. But I did not intend to drift off on that subject. I want to address myself just for a few minutes to this particular amendment to the shipping bill.

It seems to me most monstrous at this time, of all times, when the current expenses of the Government are being paid out of an emergency tax—a war tax—levied upon the people, that \$50,000,000 of their money should be taken to buy ships to meet an alleged emergency, when those very ships, by the terms of this bill, are not to be permitted to take up a pound of freight at one port in the United States and deliver it at another.

The chief contention made in proof of this alleged emergency is as to the movement of cotton. About 2,520,000 bales of cotton grown in the South go for spinning to New England ports; but this bill, intended to meet an emergency, to transport promptly and more directly than can be otherwise done by private ship-owners, cotton can not be carried on these ships from the Gulf ports to the consuming ports in New England; that is to say, a shipload of cotton may not be taken from New Orleans, Galveston, Savannah, or Charleston and delivered at Fall River or any port along the New England coast under this proposed law. It seems to me that there must be some excuse, that there must be some explanation for that. The only one that I have heard preferred was by a Senator here, who said that by including a provision admitting ships purchased by the Government to the coastwise trade in the proposed law, they would encounter opposition that they did not care to reckon with, nor hope to cope with successfully. I presume he referred to the coastwise shipping monopoly, one of the most insolent and completely law-protected monopolies on this continent, and one that has oppressed the people of this country more than any other twice its magnitude, as everybody who knows anything about current affairs knows to be true. Why that particular trust should have been spared, why a contest with that particular trust should have been declined and foreclosed behind the closed doors of a Democratic caucus, is a burden of candor that rests on somebody and that must be discharged at some time. It seems that we have at least found one trust that the Democratic Party is afraid to grapple with at close quarters.

Now, a word about my refusing to vote for this bill. In August last, when the appalling consequences of this European war had not so clearly defined themselves as at the present time, I thought that it was simply a question of transportation to get the cotton that was produced in the South, and the wheat and the corn and the meat of the West, to the consuming markets of Europe, and I fell in promptly with the idea that if, for any reason, the shipping offered by private owners was not adequate to meet that demand, it would be nothing more than the Government's duty to supply it temporarily.

The matter has now been delayed until that emergency has come and gone, as I see it. Of course, I have only a surface knowledge about the facts and details of the shipping business, but this has been obtained from reliable public and private sources. But it seems to me that when wheat brings a dollar and sixty cents a bushel it is about time to keep it at home, for every time an additional million bushels is exported 10 cents a bushel goes on the price of the more than 600,000,000 bushels consumed at home.

So far as cotton is concerned, the exports during the months of December and January were in excess of those of any year since the cotton industry was first inaugurated. There has been more cotton shipped during those two months than in any two months in the history of the world. There was adequate shipping found for that even under all the difficulties of the existing situation. There may be an explanation for that, but the foundation and undisputed fact is that the shipping was found without Government participation.

It is said that the prices of shipping are excessive. That is a technical matter that has been explained by others, and I shall not detain the Senate at this time to go into it; but I want to say that it is like the answer that Mark Twain gave to the reporters who inquired as to whether or not the rumor that he was dead was true, when he said that the report was very much exaggerated. The rate from Galveston to Liverpool on cotton shipments in normal times is 85 cents a hundred; now it is a dollar and a quarter. The rate to German ports is a

little more than that in normal times, while now it is \$3 a hundred, or about \$15 a bale. But they can not get it there at that. The rate is merely a theoretical one; it is never actually paid, because no direct shipments are ever made. If it was \$150 a bale it could not be gotten there. In the case of transporting cotton to Germany it is not a question of ships, but it is a question of a free and safe sea to run them on. That is the real difficulty about shipments to Germany; it is not the want of ships, but it is the want of access. At this time the section from which I come can not receive the slightest possible benefit from the passage of this bill. I feel that I am justified in saying that the emergency has passed, not because we do not have on hand vast quantities of cotton and lumber seeking a market; and I know that the obstruction now to be reckoned with is not of a character to be removed by the purchase and operation of ships by the Government, but is one of the conditions imposed on mankind by this gigantic and ferocious war which has shocked the world from one end to the other.

As I have said, if our associates on this side had desired to ascertain our views about a form of bill that we would support, and that was the real purpose of those who differed from us, I venture to say that we would not have denied them a conference, with an inclination to surrender to a reasonable extent any differences of opinion as to mere matters of method.

If this bill had provided that the shipping board should consist of those technically informed about the shipping business in its commercial and operating branches, leaving out of it all official members—because, in my opinion, they have now duties and responsibilities enough of their own—if it had provided distinctly that no ship belonging to a belligerent should be bought, not in a shambling, double-meaning sort of way, that might ultimately, as a matter of construction, get us into trouble, but distinctly expressed in terms that everybody could understand in the same way; if then this matter of permitting these purchased ships to engage in the coastwise trade had been included, and another provision limiting it to the duration emergency which brought the plan into existence, although it is not now a matter of any great consequence to my section of the country, still I would have waived that, and voted for the bill, as it is my duty, and as it is always my pleasure, to do what I can to advance the general prosperity and interest of the whole country. I could have on that basis yielded my opinion in opposition. But I did not project myself into the discussion at all. I sat here for about four weeks, leaving my associates to conduct the matter to their own satisfaction, but so far as the roll calls disclosed, so far as the surface of things indicated, I was just as heartily in favor of this bill as anyone on this side of the Chamber. I have never participated to the extent of a single minute in any filibuster against it, and I do not intend to do so.

I do not know but that it is too late now to expect everybody to surrender his opinion and bring it into conformity with mine, but if it shall assume an aspect of that kind, I can only repeat—because I have not any desire to announce any new position—what I have stated several times, that I am willing to confer about that.

I do not believe that the occasion, according to my present information, justifies the passage of this bill. The maps of the world may be remade; new systems will be introduced, and new rulers inaugurated to execute them; a new and larger conception of human rights will follow this war. Then it will be time enough to learn to what extent the reorganized Governments will permit Government-owned ships to enter their ports to direct and control their commerce.

Commerce, in so far as navigation is a branch of it, involves the cooperation of other and distant countries. Their rights and selfish interests safeguarded and respected and their laws must be complied with. It is an inopportune time, in my judgment, to deal with this question; but I am not justified in entering upon any discussion of that question this afternoon, because I have said more than I intended to say in the entire discussion, and besides I am not prepared, as I should be, to do so to my own satisfaction.

I think that this amendment ought to be adopted now by those who believe in it. I do not believe that any improper influence was exerted upon a single Democrat in the caucus. I take no stock in this ward-heeler system of accusing gentlemen who are Members of the Senate by saying that they have allied themselves with this, that, or the other trust. I believe it was some question of policy, some question of the misconception of the strength of that institution and the friends that it could muster; some unfounded fear of its capacity to arouse into activity influences with which they feared to combat. Obviously it ought to be dealt with, and the people of this

country are entitled to have it dealt with in the right way by the Democratic Party. Forming as it does one of our great industries, it is not to be ridden down roughshod, but it has enjoyed its exclusive and unfair privileges about long enough, and one of the new privileges that it ought not to enjoy is the privilege of keeping out of the ports of this country by law the ships that belong to the United States, and which the money of the taxpayers have supplied.

I am not particularly frightened about the proposition of the Government owning ships; but, according to my idea of things, ships are the very last utilities that the United States Government ought to take under control. It is the very essence of public control that it shall primarily contribute to internal development. There are ample opportunities for us now in connection with the telegraph, the telephone, and the remainder of the express business that will test out all of the strength that we can muster to bring those utilities under an orderly and efficient control. The shipping proposition involves the rights, interests, and cooperation of other countries. The profits of it are shared between those who load the ship at one end and those who purchase the load at the other. It is in the catalogue of utilities, I venture the opinion this afternoon, the very last that should call for Government control. I know that under existing conditions Government ownership and operation of ships will result in political management in the sense of a management directed by political influences, and these, when exerted in connection with matters of business, are always wasteful and frequently corrupt.

Our tariff laws have been so adjusted that it has been practically impossible for a ship leaving our ports to go out with a load and come back with another; but that, also, is a topic that would require to be enlarged upon, and I am not prepared to do it to my satisfaction this afternoon.

I sincerely trust that the Senate will put this particular amendment on this bill, and if the conference committee will safeguard properly the matter of neutrality and put in a provision preventing the ships belonging to the United States from transporting to the belligerents in Europe to-day arms and munitions of war to slaughter by thousands the best people on this earth, and fix the membership of the board as I have indicated, and definitely limit its duration as a temporary relief for a real or supposed emergency, I am here to tell you that I will make arrangements to vote for it without any violation of my conscience, and under the definite belief that I have done something for my day and generation.

Mr. GALLINGER. Question!

SEVERAL SENATORS. Vote!

The VICE PRESIDENT. The question is on the amendment of the Senator from Alabama [Mr. BANKHEAD].

Mr. CLARKE of Arkansas. I ask for the yeas and nays.

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

Mr. SIMMONS (when his name was called). I have a general pair with the junior Senator from Minnesota [Mr. CLAPP]. I transfer that pair to the Senator from Louisiana [Mr. THORNTON] and vote "nay."

Mr. SMITH of South Carolina (when his name was called). I have a pair to-day with the Senator from Kansas [Mr. BRISTOW]. I do not know how that Senator would vote if present, and in his absence I withhold my vote, but were I at liberty to vote I should vote "yea."

The roll call was concluded.

Mr. OLIVER. On account of my pair with the senior Senator from Oregon [Mr. CHAMBERLAIN] I withhold my vote.

The result was announced—yeas 33, nays 54, as follows:

YEAS—33.

| | | | |
|--------------|-------------|--------------|----------|
| Ashurst | Fall | Norris | Thompson |
| Bankhead | Gronna | O'Gorman | Tillman |
| Borah | Hardwick | Owen | Townsend |
| Brady | Hitchcock | Poindexter | Vardaman |
| Camden | Jones | Robinson | Williams |
| Catron | Kenyon | Smith, Mich. | Works |
| Clarke, Ark. | La Follette | Sterling | |
| Crawford | Lane | Sutherland | |
| Culberson | Nelson | Thomas | |

NAYS—54.

| | | | |
|-------------|----------------|----------|--------------|
| Brandegee | James | Overman | Simmons |
| Bryan | Johnson | Page | Smith, Ariz. |
| Burleigh | Kern | Penrose | Smith, Ga. |
| Burton | Lea, Tenn. | Perkins | Smith, Md. |
| Chilton | Lee, Md. | Pittman | Smoot |
| Clark, Wyo. | Lewis | Pomerene | Stephenson |
| Cummins | Lippitt | Ransdell | Stone |
| Dillingham | Lodge | Reed | Swanson |
| du Pont | McCumber | Root | Walsh |
| Fletcher | McLean | Shafer | Warren |
| Gallinger | Martin, Va. | Sheppard | Weeks |
| Goff | Martine, N. J. | Sherman | White |
| Hollis | Myers | Shields | |
| Hughes | Newlands | Shively | |

NOT VOTING—9.

Bristow
Chamberlain
ClappColt
GoreOliver
SaulsburySmith, S. C.
Thornton

So Mr. BANKHEAD's amendment was rejected.

Mr. HITCHCOCK. Mr. President—

The VICE PRESIDENT. The Senator from Nebraska.

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

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. The Senator from Nebraska proposes to amend House amendment No. 3 by adding, at the end of section 16, the following:

That it shall be unlawful and treated as a breach of the neutrality laws of the United States for any person, partnership, or corporation to sell or contract to sell, or deliver or contract to deliver, during the existence of war between nations with which the United States is at peace, any arms, ammunition, artillery, and explosives of any kind whatsoever to be used against a country or nation with which the United States is at peace; and during the existence of war it shall be unlawful to sell for exportation or to export arms, ammunition, artillery, and explosives, except upon filing with the Secretary of Commerce satisfactory sworn proof that said arms, ammunition, artillery, and explosives are not intended to be used in violation of this provision.

Any person violating this provision shall be fined not more than \$100,000 and imprisoned not more than three years, and any arms, ammunition, artillery, and explosives the exportation of which is attempted in violation of this provision shall be forfeited, one-half to the use of the informer and one-half to the use of the United States.

Mr. FLETCHER. Mr. President—

The VICE PRESIDENT. The Senator from Florida.

Mr. FLETCHER. I move to lay the amendment on the table.

The VICE PRESIDENT. The question is on laying the amendment on the table.

Mr. HITCHCOCK. On that I ask for the yeas and nays.

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

Mr. OLIVER (when his name was called). I again announce my pair with the senior Senator from Oregon [Mr. CHAMBERLAIN] and withhold my vote. I will allow this announcement to stand for the day.

Mr. SIMMONS (when his name was called). Making the same transfer as heretofore announced, I vote "yea."

Mr. SMITH of South Carolina (when his name was called). Again announcing my pair with the senior Senator from Kansas [Mr. BRISTOW], I withhold my vote. Were I at liberty to vote, I should vote "yea."

The roll call having been concluded, the result was announced—yeas 51, nays 36, as follows:

YEAS—51.

Brandege
Bryan
Burleigh
Catron
Chilton
Culberson
Dillingham
Fall
Fletcher
Goff
Gore
Hollis
Hughes

James
Johnson
Kern
Lea, Tenn.
Lee, Md.
Lippitt
Lodge
McLean
Martin, Va.
Martine, N. J.
Newlands
Overman
Page

Pittman
Pomerene
Ransdell
Reed
Robinson
Root
Shafroth
Shields
Shively
Simmons
Smith, Ariz.
Smith, Ga.
Smith, Md.

Stephenson
Sterling
Stone
Sutherland
Swanson
Thomas
Tillman
Walsh
Warren
Weeks
White
Williams

NAYS—36.

Ashurst
Bankhead
Borah
Brady
Burton
Camden
Clark, Wyo.
Clarke, Ark.
Crawford

Cummins
Gallinger
Gronna
Hardwick
Hitchcock
Jones
Kenyon
La Follette
Lane

Lewis
McCumber
Myers
Nelson
Norris
O'Gorman
Owen
Penrose
Perkins

Polindexter
Sheppard
Sherman
Smith, Mich.
Smoot
Thompson
Townsend
Vardaman
Works

NOT VOTING—9.

Bristow
Chamberlain
Clapp

Colt
du Pont

Oliver
Saulsbury

Smith, S. C.
Thornton

So Mr. HITCHCOCK's amendment was laid on the table.

Mr. MARTINE of New Jersey. Mr. President, notwithstanding the fact that the result of the vote has been announced, I wish to state that I voted under an entire misapprehension. I wanted to vote for the amendment, but I was called out of the Chamber at the time, and I was not aware that a motion had been made to lay the amendment on the table. I am emphatically in favor of the amendment, so I wish to change my vote on the motion to lay on the table from "yea" to "nay."

Mr. WILLIAMS. A point of order, Mr. President. Under the rules of the Senate, nobody can change his vote after the result has been announced.

Mr. O'GORMAN. Mr. President—

The VICE PRESIDENT. The Senator from New York.

Mr. O'GORMAN. I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. The Senator from New York moves to amend the amendment of the House as follows:

Strike out all of section 7 of the amended bill after the word "further," in line 19, page 9, down to and including the word "neutrality," in line 21, page 9, and substitute in lieu thereof the following:

Without waiving any rights claimed by the United States under international law or any rights or principles hitherto asserted by the United States, no vessels shall be purchased under this act which are the property, in whole or in part, of any of the nations now at war, nor shall any vessels be purchased under this act which are the property of any of the subjects or citizens of said belligerent nations unless such purchases be made with the acquiescence or consent of all belligerent nations.

Mr. FLETCHER. Mr. President—

The VICE PRESIDENT. The Senator from Florida.

Mr. FLETCHER. I move to lay the amendment on the table.

Mr. GALLINGER. On that I ask for the yeas and nays.

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on laying on the table the amendment offered by the Senator from New York. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. SMITH of South Carolina (when his name was called). Again announcing my pair, I will say that if I were at liberty to vote I would vote "yea."

The roll call was concluded.

Mr. SIMMONS (after having voted in the affirmative). Making the same announcement and transfer as heretofore, I will allow my vote to stand.

The result was announced—yeas 45, nays 43, as follows:

YEAS—45.

Ashurst
Bryan
Chilton
Culberson
Fletcher
Gore
Hollis
Hughes
James
Johnson
Kenyon
Kern

La Follette
Lane
Lea, Tenn.
Lee, Md.
Lewis
Martin, Va.
Martine, N. J.
Myers
Newlands
Norris
Overman
Owen

Pittman
Pomerene
Ransdell
Reed
Robinson
Shafroth
Sheppard
Shields
Shively
Simmons
Smith, Ariz.
Smith, Ga.

Smith, Md.
Stone
Swanson
Thomas
Thompson
Tillman
Walsh
White
Williams

NAYS—43.

Bankhead
Borah
Brady
Brandege
Burleigh
Burton
Camden
Catron
Clark, Wyo.
Clarke, Ark.
Crawford

Cummins
Dillingham
du Pont
Fall
Gallinger
Goff
Gronna
Hardwick
Hitchcock
Jones
Lippitt

Lodge
McCumber
McLean
Nelson
O'Gorman
Page
Penrose
Perkins
Polindexter
Root
Sherman

Smith, Mich.
Smoot
Stephenson
Sterling
Sutherland
Townsend
Vardaman
Warren
Weeks
Works

NOT VOTING—8.

Bristow
Chamberlain

Clapp
Colt

Oliver
Saulsbury

Smith, S. C.
Thornton

So Mr. O'GORMAN's amendment was laid on the table.

Mr. SMITH of Michigan. Mr. President—

The VICE PRESIDENT. The Senator from Michigan.

Mr. SMITH of Michigan. I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. In lieu of amendment numbered 3 of the House, the Senator from Michigan proposes to insert the following:

That a commission be, and the same is hereby, created for the purpose of fully considering the entire subject of over-sea shipping and the rehabilitation of the American merchant marine, to be composed as follows: Five Senators, who shall be appointed by the Vice President; seven Representatives, who shall be appointed by the Speaker of the House of Representatives; and five practical, experienced business men and shipowners, who shall be appointed by the President of the United States; said appointments to be bipartisan in character, and the five members last provided for, if not already in the employ of the Government, to receive compensation at a rate not to exceed the salary of a Member of Congress. The said commission is hereby authorized and empowered to conduct an inquiry into the best means of reestablishing the American merchant marine upon broad principles of international comity and practical utility, and shall consider, among other things—

(a) The question of a subsidized merchant marine, through direct appropriations of the Government;

(b) The question of discriminating tariff duties in favor of American bottoms under such regulations and with such treaty modification as may be necessary to that end; and

(c) That the purchase or construction by the Government of the United States of merchant ships which may be used in over-sea commerce and in emergencies shall constitute an auxiliary merchant fleet for the Navy.

That said commission is authorized and empowered to sit during the session or during the recess of Congress, at any place or places which

in its judgment shall be necessary; that the expense of said commission shall be paid out of any unexpended balance in the Treasury of the United States upon warrants to be issued therefor by the chairman or vice chairman of said commission; that said commission is authorized to take testimony, to administer oaths, and employ such necessary assistance as may be desirable in the conduct of its investigation, which shall be concluded within six months from the date this act shall become effective.

That the sum of \$50,000, or so much thereof as may be necessary, is hereby appropriated, out of any money in the Treasury of the United States not otherwise appropriated, for the purpose of defraying the necessary expenses incident hereto.

Mr. FLETCHER. Mr. President, I move to lay the amendment on the table.

The VICE PRESIDENT. The question is on the motion by the Senator from Florida to lay the amendment on the table.

Mr. SMITH of Michigan. I ask for the yeas and nays on that motion.

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

Mr. SIMMONS (when his name was called). Making the same announcement of the transfer of my pair as before, I vote "yea."

Mr. SMITH of South Carolina (when his name was called). I make the same announcement of my pair that I previously made. If I were at liberty to vote, I would vote "yea."

The roll call having been concluded, the result was announced—yeas 52, nays 31, as follows:

YEAS—52.

| | | | |
|--------------|----------------|----------|--------------|
| Ashurst | Johnson | O'Gorman | Smith, Ariz. |
| Bankhead | Kenyon | Overman | Smith, Ga. |
| Bryan | Kern | Owen | Smith, Md. |
| Camden | La Follette | Pittman | Stone |
| Chilton | Lane | Pomerene | Swanson |
| Clarke, Ark. | Lea, Tenn. | Ransdell | Thomas |
| Culberson | Lee, Md. | Reed | Thompson |
| Fletcher | Lewis | Robinson | Tillman |
| Gore | Martin, Va. | Shafroth | Vardaman |
| Hardwick | Martine, N. J. | Sheppard | Walsh |
| Hollis | Myers | Shields | White |
| Hughes | Newlands | Shively | Williams |
| James | Norris | Simmons | Works |

NAYS—31.

| | | | |
|-------------|-----------|--------------|------------|
| Brady | Gallinger | Nelson | Smoot |
| Brandeggee | Goff | Page | Stephenson |
| Burleigh | Gronna | Penrose | Sterling |
| Burton | Jones | Perkins | Sutherland |
| Catron | Lippitt | PoinDEXTER | Townsend |
| Clark, Wyo. | Lodge | Root | Warren |
| Dillingham | McCumber | Sherman | Weeks |
| du Pont | McLean | Smith, Mich. | |

NOT VOTING—13.

| | | | |
|-------------|----------|--------------|----------|
| Borah | Colt | Hitchcock | Thornton |
| Bristow | Crawford | Oliver | |
| Chamberlain | Cummins | Saulsbury | |
| Clapp | Fall | Smith, S. C. | |

So the amendment of Mr. SMITH of Michigan was laid on the table.

Mr. FLETCHER. I now move that the Senate disagree to the amendments made by the House and ask for a conference, the Chair to appoint seven conferees as managers on the part of the Senate.

Mr. POINDEXTER. Mr. President, as a motion which has preference over the one just made by the Senator from Florida, I offer the following amendment to the bill.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. Add as a new section the following:

SEC. —. That no ship shall be purchased under the authority of this act from a belligerent nation, nor the citizens thereof, and no ship shall be operated by the United States, nor the shipping board, nor the corporation provided for herein, nor any lessee thereof, under the authority conferred by this act, to or from any port of a belligerent nation, nor to or from any European port during the continuance of the present war in Europe.

Mr. FLETCHER and Mr. POINDEXTER addressed the Chair.

The VICE PRESIDENT. The Senator from Florida.

Mr. FLETCHER. I move to lay the amendment on the table.

Mr. POINDEXTER. I have the floor I think.

The VICE PRESIDENT. No; the Senator has not the floor. The Senator from Florida has the floor, and he moves to lay the amendment on the table. The question is on agreeing to the motion to lay on the table.

Mr. POINDEXTER. On that I ask for the yeas and nays.

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

Mr. SIMMONS (when his name was called). Making the same announcement of the transfer of my pair as before, I vote "yea."

Mr. SMITH of South Carolina (when his name was called). I make the same announcement of my pair that I previously made. If I were at liberty to vote I would vote "yea."

The roll call having been concluded, the result was announced—yeas 48, nays 37, as follows:

YEAS—48.

| | | | |
|-----------|-------------|----------|--------------|
| Ashurst | Johnson | Overman | Smith, Ariz. |
| Bankhead | Kern | Owen | Smith, Ga. |
| Bryan | La Follette | Pittman | Smith, Md. |
| Camden | Lane | Pomerene | Stone |
| Chilton | Lea, Tenn. | Ransdell | Swanson |
| Culberson | Lee, Md. | Reed | Thomas |
| Fletcher | Lewis | Robinson | Thompson |
| Gore | Martin, Va. | Shafroth | Tillman |
| Harwick | Myers | Sheppard | Vardaman |
| Hollis | Newlands | Shields | Walsh |
| Hughes | Norris | Shively | White |
| James | O'Gorman | Simmons | Williams |

NAYS—37.

| | | | |
|-------------|-----------|----------------|------------|
| Borah | du Pont | Martine, N. J. | Stephenson |
| Brady | Fall | Nelson | Sterling |
| Brandeggee | Gallinger | Page | Sutherland |
| Burleigh | Goff | Penrose | Townsend |
| Burton | Gronna | Perkins | Warren |
| Catron | Jones | PoinDEXTER | Weeks |
| Clark, Wyo. | Lippitt | Root | |
| Crawford | Lodge | Sherman | |
| Cummins | McCumber | Smith, Mich. | |
| Dillingham | McLean | Smoot | |

NOT VOTING—11.

| | | | |
|-------------|--------------|-----------|--------------|
| Bristow | Clarke, Ark. | Kenyon | Smith, S. C. |
| Chamberlain | Colt | Oliver | Thornton |
| Clapp | Hitchcock | Saulsbury | |

So Mr. POINDEXTER's amendment was laid on the table.

Mr. POINDEXTER. Mr. President, I desire to offer a further amendment, but I see the Senator from Florida is on his feet, I suppose for the purpose of making a motion to lay it on the table. So I will make some remarks upon it before offering it. I was under the impression that when a Senator obtained the floor for the purpose of offering an amendment he was entitled to keep the floor until he gave it up. However that may be, I have no intention to make an objection to the parliamentary method of proceeding.

In view of the tabling of the amendment which I offered a moment ago, it is perfectly evident that it is the intention of the supporters of this bill to do the things which that amendment which has been tabled would have prohibited, namely, to buy belligerent ships and to operate ships so bought in the ports of belligerent countries and in the ports of neutral countries in Europe which are immediately in the war zone and are involved within the last few days between the Government of the United States and the great European belligerents. In view of that attitude and that evident intention of the administration, Mr. President, I will not be able to vote for the motion of the Senator from Florida nor to cast any vote which is favorable to this bill.

The Senator from Montana [Mr. WALSH] not long ago delivered quite an exhaustive address in the Senate upon this question of the right of a neutral to purchase the ships of a belligerent. I have read it with a great deal of interest. The Senator from Montana is undoubtedly entitled to commendation and to the appreciation of the Senate for the information which his address contains and for the research which evidently he devoted to preparing it. It was a fine shot, and I agree with the Senator from Montana that it comes near the mark. The trouble about it, Mr. President, is that he was shooting at the wrong mark, and I want to demonstrate that.

It reminds me of an occasion not long ago when some observers were down on the Potomac River for the purpose of witnessing the results of shell fire. They were stationed in a small ship about a quarter of a mile away from the target. There was one of these expert gunners of the United States Navy on the old battleship *Tallahassee*, about 10 miles away, shooting at a target with a 12-inch gun. The shot weighed about 500 pounds; and almost every shot either struck the target or missed it by a very small margin, all except one, and that shot was just as good a shot, it was a demonstration of just as good marksmanship as any other; but the trouble was he shot at us instead of the target. He came about as near hitting us in that shot as he came near hitting the target in most of the others. It was a good shot, but the wrong target. I think that can be truthfully said about the very able address of the Senator from Montana. He was discussing something which is not involved in this bill. His speech was entirely irrelevant. The Senator from Montana collected a large number of authorities upon the proposition that a private person, a citizen of a neutral, if he is acting in good faith and the transaction is complete, can buy the ships of a belligerent.

Mr. President, that question is not involved in this bill. The entire proposition on the part of a large portion of this side of

the aisle is based upon the distinction between the purchase by a private citizen and the purchase by the Government. Neither the Senator from Montana, nor anyone else who has discussed the proposition on that side, has offered us any light or any authority as to the right of a neutral Government, supposed to be friendly to both the belligerents itself, in its governmental capacity to buy a belligerent ship.

Mr. WALSH. Mr. President—

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

Mr. POINDEXTER. In just a moment I will yield to the Senator from Montana. I desire to complete my proposition.

Mr. WALSH. I simply desire to ask a question.

Mr. POINDEXTER. I will yield for a question in a moment, but not just now.

Mr. WALSH. I desire to ask the Senator, in view of the fact that he has stated that the objection upon the other side was founded upon the fact that the purchase was to be made by the Government, instead of by a private individual, to inform this side of the Senate by whom on that side the idea was ever advanced that there was any difference in result when the purchase was made by the Government instead of by a private individual.

Mr. POINDEXTER. I am advancing it now; and I have heard it suggested by a number of Senators on this side. I think the distinction is perfectly obvious—

Mr. WALSH. Will the Senator kindly—

Mr. POINDEXTER. I decline to yield further at this moment. I will yield later on; but I should like to complete the sentence.

It ought to be perfectly obvious to all the proponents of this bill that the objection to the bill is that it involves the Government in the proposed action. It involves governmental ownership, governmental implication in the war, governmental trading in belligerent ports. It is upon the incident of Government activity that almost every Senator who has spoken in opposition to this bill has based his opposition. I might name a number of Senators who have taken that ground. I happen to notice in his seat the Senator from North Dakota [Mr. McCUMBER], who very pointedly made this distinction, and, as the Senator from Connecticut [Mr. BRANDEGEE] suggests, the Senator from Rhode Island [Mr. COLT] also made it, and the Senator from North Dakota [Mr. GRONNA] to-day at an earlier hour made the same point. But, Mr. President, the point is obvious to everyone, and it is the point in one form or another about which the long controversy over this bill has been raging.

I do not want to detain the Senate as it is hastening on, with its nice regard for time, to a final disposition of this bill, except to make clear the basis of the objection which I attempted to explain in the amendment which was tabled. A private citizen of a neutral country may do a great many things in transactions with belligerents which the neutral Government can not do. A short time ago we were advised that the President of the United States, in his apparent almost universal care and watchfulness over the acts not only of the Senate but of the private business of the country—and I say this with all respect and kindness toward the President, because I feel that way toward him—objected to some private citizen making a loan of money to one of the belligerents. That attracted some attention because it was a new doctrine in international law that a private citizen of a neutral country should not be allowed to make a loan of money to a belligerent. That he has a right to do so, and that it is not a violation of international law for him to do so, I venture to say is laid down by every authoritative writer upon that branch of jurisprudence, and it is also laid down by them all that, while the private citizen may do so, it would be a breach of neutrality for a neutral Government to make a loan of money to one of the belligerents.

A private citizen of a neutral may sell contraband goods to a belligerent, if he chooses to take the risk of capture by a belligerent war vessel; and international law recognizes no offense in his shipping arms and munitions of war to one of the belligerents. It is a privilege universally exercised by merchants of all countries when the circumstances call for it, but it is also laid down by every writer upon international law that, on account of the distinction between the action of a private citizen and the action of the Government, a neutral Government is not allowed to sell contraband goods, such as ammunition and guns, to a belligerent power; and it is perfectly obvious why there should be such a distinction.

In a great digest of international law based upon the declarations of the officers of the United States Government during the entire period of its existence, a most interesting and useful compilation by Mr. John Bassett Moore, formerly counselor of the State Department, there are cited a number of authoritative rulings upon this subject. After discussing the proposition,

which seems to be recognized everywhere, that private citizens of a neutral may trade in contraband with a belligerent, he says:

In 1872 a question was raised in the United States Senate as to certain sales of "ordnance stores" which had been made by the Government of the United States during the fiscal year ending June 30, 1870, to persons who were said to be agents of the French Government. A committee was appointed to investigate the subject.

Then he goes on and discusses that question. I will not encumber the Record by reading the entire discussion, but he cites Hall, and says:

Hall, referring to the above transaction, says: "The vender of munitions of war in large quantities during the existence of hostilities knows perfectly well that the purchaser must intend them for the use of one of the belligerents, and a neutral Government is too strictly bound to hold aloof from the quarrel to be allowed to seek safety in the quibble that the precise destination of the articles bought has not been disclosed."

Perels, after stating the facts, remarks that they do not require comment.

Snow expressed the hope that Mr. Carpenter's report "does not express the settled law of the United States upon this subject. It confounds the rights and duties of a neutral State with those of the private citizens of a neutral State, which is a very different matter."

Now, Mr. President, I propose to offer as an amendment to this bill by way of a substitute—I am not now offering it; I will withhold it for the present, but will offer it later—the following:

That the President is authorized and directed to expend a sum not exceeding \$50,000,000 for the construction of ships in American shipyards, preference being given to navy yards, and to operate said ships on such lines of trade, coastwise or foreign, as he may select, under such terms and regulations as he may determine: *Provided*, That such ships shall be constructed, as far as practicable, so as to be adapted for service both as naval auxiliaries and as merchant ships.

SEC. 2. That the President may sell the bonds of the United States authorized for the construction of the Panama Canal, not to exceed the amount of \$50,000,000, for the purposes of this act.

I see no difficulty, Mr. President, in finding ample constitutional authority for the Government to own and operate ships if we should decide upon that policy. I will not discuss now the question of Government ownership. In my opinion, it is the last resort in the administration and regulation of public utilities; but the time may come when we may have to adopt the last resort. If regulation shall have failed, I shall not shrink from Government ownership. The Government has constitutional authority to own and operate ships to carry the mail; it has constitutional authority to own and operate ships as auxiliaries to its Navy; it has constitutional authority to own and operate ships in the regulation of foreign commerce. It is not engaging in a private business. It proposes to operate them as a common carrier.

But what is proposed here? Mr. President, when it is presented to those who desire for one reason or another, for the building up of our Navy, for supplying this greatest defect, the want of transports and auxiliary vessels, that there should come under the flag of the Government a great fleet of vessels adapted in time of peace to use as merchant vessels, we find that the proposition is so framed that there will not be an American vessel created; that whatever fleet may be acquired will be disposed of in a very short time. The proposition of the President—and we must assume that this matter will be directed by the President—is that we should go into this enterprise for a short time, and when it becomes profitable dispose of it. The President's proposition is not that we should operate a line of ships to meet this great emergency in Europe, of which so much has been said on the other side. Reading from the President's message, he says:

Therefore I propose another way of providing the means of transportation which must precede, not tardily follow, the development of our trade with our neighbor States of America.

That is the proposition of the President, that temporarily, in order to develop trade in America—in South America—we should put on a line of ships with that portion of the Americas; and that when it becomes profitable, when trade has been developed so as to encourage private enterprise, the Government shall go out of the business entirely and abandon its ships.

What is the bill which has been passed by the House and which is now pending before the Senate? It provides in express terms, in consonance with the policy of the President:

SEC. 16. That two years from and after the conclusion of the present European war, that fact to be determined by the President, the corporation and the shipping board shall turn over and transfer all vessels purchased or constructed under the provisions of this act to the Navy Department, and the Secretary of the Navy shall have the right, with the approval of the President, to lease or charter any of such vessels not needed for naval or military purposes to any firm, individual, or corporation for use as merchant vessels.

What is the result of that plan as applied to the existing conditions of the merchant marine of the world to-day? A few days ago one of the Senators from Missouri, in a moment of intense feeling, rather intimated that everyone who opposed

this bill was influenced by the Shipping Trust. Later on, in his cooler moments, he said—which of course was the fact—that he did not intend any such thing as that. But what must be the effect of this bill and this plan if carried out according to the intentions of the President and according to the express terms of the bill as it is now framed? It must be that the Government, if it produces any ships that are not now engaged in trade, would spend the money which is appropriated by this bill—thirty million or forty million dollars, or whatever the amount may be—for the ships of the Shipping Trust. If there is a Shipping Trust that controls all of the lines of commerce upon the Atlantic Ocean, where are you going to buy ships unless you buy them from the Shipping Trust? I want to show in a few moments, in a very brief way, that there is no idle ship for sale; that there is no ship that is not now fulfilling to its utmost capacity the needs of trans-Atlantic commerce between this country and Europe, except the interned vessels of the Hamburg-American and the North German Lloyd Lines, which are the holders and the owners of the vessels which belong to this combination which the Senator to whom I referred a moment ago dominates as the Shipping Trust.

If you are going to put a new ship into the commerce with Europe, one which is not now engaged in it, you would be compelled under this bill to take the interned, rusting, or rotting vessels of the Shipping Trust, and pay them the thirty or forty million dollars to be raised by the sale of United States bonds.

Then, what is the proposition? That when the so-called emergency has passed, when we settle down to normal conditions, we shall sell the ships back again to the Shipping Trust; and if this transaction is characterized by the ordinary lack of financial acumen that characterizes Government business transactions, we will sell them for a great deal less than we paid for them. That is the proposal.

I notice in a description of these interned vessels that they are vessels which have been used in the business of bringing to American shores the great hordes of the illiterate and laboring classes of certain parts of Europe; that is the chief business of these great steamship lines. Under the fortunes of war their ships are interned; their ships are rusting; their profits from carrying the steerage passengers who have crowded their vessels heretofore are cut off. The same interests which opposed the literacy test in the immigration bill are the interests which own the interned vessels and which are now desirous of selling them to the United States if this bill should pass. It is quite a coincidence—purely a coincidence, of course—that the Senators who are loudest in talking about the Shipping Trust are now advocating a bill which can have no other effect than to benefit the Shipping Trust by relieving it of its interned ships. The same Senators who employed every parliamentary expedient that it was possible for them to employ in order to defeat the effort of putting into the law a literacy test, which the Shipping Trust thought, according to the documents which have been published and circulated in this city, would interfere with their lucrative business of bringing over hordes of immigrants from Europe to compete with the laborers of the United States and to lower the standard of living in this country. I say it is quite an interesting coincidence.

A good many different reasons are given for urging this so-called emergency measure. One of them is, as I said a moment ago, that the rates on grain are so high that the poor farmers of this country are suffering by reason of it. Why, Mr. President, for a good many years the farmers of the West have been raising and selling wheat for less than it cost them. During the last season, on account of the war in Europe and other circumstances, for the first time in many years they received a good price for their wheat; and those of them who have any wheat to sell are receiving a good price for it now, and there is every prospect that they will receive a good price for it next year.

There used to be a man in New York—I think his name was Jones—who advertised that he paid the freight. He had the nerve to publish a picture of his face in almost every newspaper in the country, blowing a horn, and accompanying the picture were the words: "Jones—he pays the freight." I have no doubt that was true, that he did pay the freight upon the commodities which he had for sale; but he did not mention the additional fact that he collected it back again from his customers.

Of course we are interested in reasonable freight rates to Europe. We know that in the necessities which are arising out of war, the need of food for their people, the need of arms and munitions of war for their armies, they are willing to pay the freight, and are paying it in the greater part. When I read the report of the Secretary of the Treasury, I notice the plaintive appeal which he makes for the passage of this bill in be-

half of the farmers of this country who raise grain, cotton, and other commodities; and to show what the burden imposed upon the farmers by these high ocean freight rates means, he says that the greatest increases in rates and the heaviest taxes are imposed upon the products in which the American farmer is most concerned, namely, grain and cotton.

Why, Mr. President, in view of the wealth which has lately been brought to the grain growers of the West as a due reward for the labors of many years in which they received no profits, it seems strange that the Secretary of the Treasury, the chief advocate of this bill, should ask its passage as an emergency measure, as a new departure in the policies of this Government, declining to accept any amendment which would prohibit the purchase of the ships of belligerents in order to relieve the farmers and the grain growers of the country of the situation in which they are placed. I think I can speak for the grain growers, in part at least, in some sections, and I say for them that they are not in need at this particular time of assistance or sympathy on account of the prices which they are receiving for their grain, and I say further that if they did, if they were in need, they would receive no relief from this bill.

Mr. GRONNA. Mr. President, would it disturb the Senator if I asked him a question?

Mr. POINDEXTER. No; I yield to the Senator from North Dakota.

Mr. GRONNA. Is it not a fact that on the 6th day of February, 1915, wheat sold in the market at Chicago for \$1.67 a bushel, and that on that very same day it sold in London for 60 shillings a quarter, or, in other words, \$1.73 a bushel, making a difference of only 6 cents a bushel?

Mr. POINDEXTER. If the Senator states that as a fact, I accept it as such.

Mr. GRONNA. I state that. That is a fact.

Mr. POINDEXTER. Mr. President, as I said a moment ago, there are various reasons given for this condition of ocean freights. One of them stated is that there is a trust or combine, and another one, rather inconsistent with it, is that there is not enough ship tonnage to supply the demand. Of course if it is due to a combine, the price would be put up regardless of the amount of tonnage, and if there is a shortage of ships the rates would go up whether there is a monopoly or not. Another one, entirely inconsistent with either of the foregoing, is that it is due to the uncertainties and to the dangers of war—to high war insurance. Now let us see what is the showing which was made by the Secretary of the Treasury and the Secretary of Commerce themselves as to these conditions, as to what is the cause for these high rates.

I hear it said that we need Government ships to carry cotton to Belgium and to Germany and to carry tobacco to Italy; that there are not enough ships to carry it, and therefore that the Government must furnish them. In the supplementary report of the Secretary of the Treasury of January 27 I find certain statements, which I wish to read. I assume that the information it contains, being furnished by them, is reliable. You always construe the testimony of a party which he himself furnishes as binding upon the party who furnishes it.

I find here a letter from Mr. Justus Ruperti, of New York, of G. Amsinck & Co., addressed to the agent of the United States Government, Mr. Charles Ferguson; and what is the information which it contains and which he transmits to the Senate of the United States, as to the need of ships for carrying the supplies of the United States to these various countries? It is so astonishing, in view of the great insistence upon this measure through all sorts of conditions and times and hours of the day and night, that I want to read a portion of it. He says:

A line to Italy does not seem necessary, as the Italian Government has sufficient steamers, if only the United States Government will stand together with the Italian to protect these steamers from constant and in many cases unnecessary interference and delay.

Now, as to the need of a line to Denmark, Norway, and Holland, he says:

There is at present also not sufficient freight open, but there should be enough steamers of those countries—which have fleets of their own—to insure a sufficient traffic, if the United States will assist those countries also in maintaining a service which is not unnecessarily hampered and interfered with by the warring nations, as is done at present, where a great many commercial transactions for supplying those neutral countries with their requirements, and which are in no way affected by any articles of contraband of war or supplies for the fighting nations, are hampered and stopped.

That is the showing which is made by the Secretary of the Treasury, and from it it appears that there is no need of ships in the trade with Holland, Scandinavia, and Italy, but that the high rates are due to interference with the operation of these ships by the war vessels of the belligerent nations.

Mr. President, where are we going to get ships? I will submit the amendment which I desire to offer after calling atten-

tion to this. This is also evidence which is furnished by the Secretary of the Treasury and the Secretary of Commerce in the report to which I have just referred. On page 38 of that report there is printed an article—evidently which they approve—in which the fact is clearly and emphatically stated that every available vessel than can be operated in this trade is engaged in it at present, and that every shipyard which is capable of constructing ships is busy constructing ships.

In every direction it will be seen that huge profits are to be made in the shipping industry. Nor are shipowners the only ones to feel the boom. The prosperity has created a demand for more ships. The price of steamers is rising daily, and shipbuilders are booking so many orders that their yards will be full for some years to come. Many shipowners also are selling off their old tonnage at prices which they never dreamed of before the outbreak of war.

Investigation goes to show that the present boom has been of a much greater nature than during other wars. After the Franco-Prussian War, for instance, the boom did not set in until some 12 months after the declaration of peace. By this time the nations had time to turn around, and finance was readjusted. And then the rise in freights was more gradual. It was not until 1882 that the top of the rise appeared.

It is interesting to note that the only rate approximating to present figures was paid to the *Ben Nevis*, a steamer with a carrying capacity of 7,500 quarters, or about 1,500 tons, which obtained 8s. 3d. per quarter from New Orleans to Rouen.

The shipment of wheat commences from the end of December, however, and already many vessels have been chartered, the rates of freight for steamers which will be ready to load in January and early February rising within the last month or two from 20s. per ton to 37s. 6d.

The beginning of the season has not seen a large number of steamers chartered to Italy, but it is now stated that, in addition to the enormous quantities which are being imported from North America, the Italian Government has purchased some 400,000 tons of wheat and oats from the Argentine Republic for shipment from the River Plata.

I read that for the purpose of demonstrating, by the testimony of the proponents of this bill themselves, that every available ship is engaged in this trade, and that even if the Government can purchase them, they can not carry any more freight than they are carrying now; and as for the relief which could be experienced in freight rates by the operation of the small number of ships which the Government would acquire under this bill, even if it operates them in the European trade, it would be impossible for them to take care of more than a small portion of the enormous shipments which these reports indicate are now being made to Europe, and would have but a negligible effect upon rates.

The only remedy aside from building ships, Mr. President, is the purchase of these interned vessels. The result of that would be that vessels which have suffered the penalty of the superior navy of their adversaries and have been practically interned, which are forbidden from the sea, would be released; money would be spent in a foreign country for replacing them with other vessels, and the United States for its investment of thirty or forty million dollars would have a number of vessels rapidly growing obsolete, which it would be impossible for it to operate profitably in competition with more modern vessels equipped with new kinds of engines, Diesel engines, submerged flame combustion—internal combustion, as it is called—and all the improvements in the way of marine engines which are now being placed in vessels being constructed at the present time.

Mr. President, if we spend the amount of money provided in this bill it ought to be spent in this country. There never was a time in the history of the country when something that would afford occupation to the idle workmen of this country would be more opportune. Instead of undertaking to release the bound-up ships of a belligerent nation a bill should be passed, if we decide to embark upon this policy, which would restore the hum of industry to American shipyards and give some occupation to the navy yards of the United States, now being maintained at a great expense without any corresponding results.

However desirous we might be that the Government of the United States should build up an auxiliary fleet or should engage in the shipping business, I submit that it would be folly to undertake, as is proposed here, and insistently proposed, when we acquire the ships, to operate them in the midst of a flagrant war, when everybody knows that the destruction of one of them, even though covered by the thin subterfuge of a private corporation which is owned by the Government, would create a feeling in this country that would bring us perilously near the declaration of hostilities, either by our own or by some foreign Government.

I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to add, in amendment No. 3, the following:

That the President is authorized and directed to expend a sum not exceeding \$50,000,000 for the construction of ships in American shipyards, preference being given to navy yards, and to operate said ships on such lines of trade, coastwise or foreign, as he may select, under such terms and regulations as he may determine: *Provided*, That such ships shall be constructed, as far as practicable, so as to be adapted for service both as naval auxiliaries and as merchant ships.

Mr. FLETCHER. Mr. President—

The VICE PRESIDENT. The Senator from Florida.

Mr. FLETCHER. I move to lay the amendment on the table.

Mr. POINDEXTER. Upon that I ask for the yeas and nays.

The yeas and nays were not ordered.

The VICE PRESIDENT. The question is upon laying on the table the amendment offered by the Senator from Washington.

The motion to lay on the table was agreed to.

The VICE PRESIDENT. The question now is on the motion of the Senator from Florida [Mr. FLETCHER] to disagree to the amendments of the House and ask for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and Mr. FLETCHER, Mr. RANDELL, Mr. MARTIN of Virginia, Mr. SIMMONS, Mr. NELSON, Mr. BURTON, and Mr. CRAWFORD were appointed as the conferees on the part of the Senate.

LEGISLATIVE, ETC., APPROPRIATIONS.

Mr. MARTIN of Virginia. Mr. President, I simply desire to give notice that in the morning, immediately after the completion of the morning business, I shall ask the Senate to proceed to the consideration of the legislative, executive, and judicial appropriation bill.

Mr. KERN. I move that the Senate adjourn until 11 o'clock to-morrow.

The motion was agreed to; and (at 7 o'clock p. m.) the Senate adjourned until to-morrow, Friday, February 19, 1915, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

THURSDAY, February 18, 1915.

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

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We bless Thee, Infinite Spirit, our heavenly Father, for the enthusiasm which fills the breast of the man of convictions and impels to action because he feels down deep in his heart that he is in consonance with the eternal laws which Thou hast ordained. To him we owe a debt of gratitude which can not be expunged. Science, literature, art, government, religion are his contributions to the world. Give to us, we pray Thee, convictions, that we may be lifted out of self by enthusiasm into the higher realms of thought and action, exemplified in the life, character, and precepts of the Jesus of Nazareth. Amen.

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

CORRECTION OF A PENSION BILL.

Mr. ADAIR. Mr. Speaker, on yesterday morning the House agreed to a conference report on pension bill H. R. 20562. The Clerk overlooked amendment 36, and it was not included in the conference report. I ask unanimous consent that the House recede from its disagreement to amendment No. 36 and agree to the same.

The SPEAKER. The gentleman from Indiana asks unanimous consent that the House recede from its disagreement to amendment 36 to the bill H. R. 20562 and agree to the same. Is there objection?

There was no objection.

ORDER OF BUSINESS.

Mr. WEBB was recognized.

Mr. BARTLETT. Mr. Speaker, a parliamentary inquiry. I desire to make a motion to go into Committee of the Whole House on the state of the Union to consider the pension appropriation bill, which it is necessary to pass. I ask the Chair to recognize me for that purpose.

Mr. WEBB. Mr. Speaker, I make the point that the Chair had recognized me before the parliamentary inquiry by the gentleman from Georgia.

Mr. BARTLETT. But I was on my feet and looking at the Speaker—

The SPEAKER. Well, a good many people look at the Speaker.

Mr. BARTLETT. Trying to catch the Speaker's eye.

The SPEAKER. The Chair had already recognized the gentleman from North Carolina.

Mr. WEBB. Mr. Speaker, I ask the Chair to lay before the House the bill H. R. 17869, now on the Speaker's table.

The SPEAKER. If this is going to take any considerable length of time, the Chair will ask the gentleman to withhold it for the present.

Mr. BARTLETT. I understand that it will take some time.

Mr. MANN. It will take considerable time.

Mr. CRISP. Mr. Speaker, under Rule XXIV is it not in order and have we not the right to have the Chair lay before the House bills on the Speaker's table?

The SPEAKER. There is no doubt about that, but the Chair has a supervisory power over the proceedings of the House.

Mr. UNDERWOOD. Mr. Speaker, to save time I will raise the question of consideration on the bill called up by the gentleman from North Carolina.

The SPEAKER. The gentleman from North Carolina can call his bill up to-morrow morning.

Mr. WEBB. Can I not call it up this afternoon immediately after the passage of the pension bill?

The SPEAKER. The gentleman can call it up as soon as we get through with the pension bill.

Mr. WEBB. Then I withdraw my request.

EXTENSION OF REMARKS.

Mr. LAZARO. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

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

There was no objection.

ENROLLED BILLS SIGNED.

Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 19545. 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; and

H. R. 19376. An act confirming patents heretofore issued to certain Indians in the State of Washington.

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

S. J. Res. 187. Joint resolution requesting the President of the United States to invite foreign Governments to participate in the International Congress on Education.

PENSION APPROPRIATION BILL.

Mr. BARTLETT. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the pension appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. CLINE in the chair.

The CHAIRMAN. The House is now in Committee of the Whole House on the state of the Union for the further consideration of the pension appropriation bill, of which the Clerk will read the title.

The Clerk read as follows:

A bill (H. R. 21161) making appropriations for the payment of invalid and other pensions of the United States for the fiscal year ending June 30, 1916, and for other purposes.

Mr. BARTLETT. Mr. Chairman, may I inquire as to the consumption of time in general debate, how much has been used on both sides?

The CHAIRMAN. The gentleman from Georgia has had 1 hour and 15 minutes and the gentleman from Illinois has occupied 35 minutes.

Mr. HINEBAUGH. Mr. Chairman, I yield 12 minutes to the gentleman from Ohio [Mr. SWITZER].

Mr. SWITZER. Mr. Chairman, the bill under consideration carries appropriations to meet our obligations growing out of the administration of the pension laws which have been enacted on account of services rendered in the Army and the Navy in the defense of our country, and I know of no appropriation made by Congress to which the people give a more cheerful assent.

I recall with pride that my first effort on the floor of this Chamber was in support of the passage of the Sherwood pension bill which as amended and finally enacted by Congress carried an increase of pensions to more than 400,000 Civil War veterans. I was among the first of those to advocate eliminat-

ing from the original Sherwood bill those provisions which excluded from its benefits veteran inmates of soldiers' homes and those veterans who were recipients of an annual income of a thousand dollars or more. The increases carried by this bill were in no instance unreasonable, and in the amount they no more than equaled the increase in cost of living since the passage of the dependent bill of 1890 and the subsequent old-age pension bill.

Since the Sherwood law has been passed more than 100,000 Civil War veterans have died. The grim reaper is fast depleting their ranks, and of the 35,000 who die annually thousands of them leave widows who under the existing laws are entitled to draw a \$12 monthly stipend. Many other thousands have been found to be so necessitous and with claims so meritorious that they have been granted pensions by special acts of Congress. But there are other thousands who are just as necessitous, whose claims are as meritorious, who are heartlessly refused any relief by this great Government.

On the 7th day of last December I introduced into this House a bill to remove from existing law that limitation which excludes widows whose marriages to the old soldiers date subsequent to June 27, 1890. Since I introduced that bill I have learned that on the 23d of May last the Senate Committee on Pensions recommended for passage and reported out the Spanish-American War widows' bill, which was passed by this House more than a year ago, with an amendment eliminating the limitation to which I have just referred, and to bring the bar down to a date which will correspond to the time of the passage of the proposed amendatory legislation. Anyone who has made a casual investigation of our pension laws will readily concede the justice of the amendment proposed by the Senate Committee on Pensions. I have been informed that if it is allowed to be brought to a vote at this session of Congress it will pass the Senate by an overwhelming majority; but will it be allowed to come to a vote? The Department of the Interior has estimated that the passage of the proposed legislation to which I have just referred will necessitate an annual increase of appropriations for the next few years of \$7,500,000, two million and a half of which will be needed on account of the deceased Spanish-American War veterans and \$5,000,000 on account of the deceased Civil War veterans. Twenty-four years after the close of the Civil War, at a time when we numbered only about 63,000,000 people, when our estimated wealth was only about \$62,000,000,000, Congress, recognizing the great hardships imposed upon widows to be compelled to prove that the death of the old soldier was caused by some disease or injury contracted or incurred in the service and desiring to treat them more liberally, inserted in the dependent act of 1890 a provision giving a pension of \$8 a month regardless of the cause of death. The amount has since been increased to \$12 per month.

In order to remove the incentive to marry an old soldier, sick and decrepit, whose time on earth in all probability would be short, for the purpose of securing a widow's pension, the Congress included among its beneficiaries only those widows who married the soldier prior to June 27, 1890. Twenty-four more years have now rolled around, and it seems to me to be unjust, and it certainly is unjust, that the widow who married the old soldier a few days or a few months or a few years prior to June 27, 1890, should now be entitled to a pension, while the widow who married the old soldier a few days subsequent to that time has no pensionable status under the law. One was as much the wife of the soldier as the other; one is as much the widow of the soldier as the other and just as much entitled to a pension as the other. It seems to me that 24 years is too long a time to allow such a gross inequality to remain in any pension law, especially a pension law for a great Nation like this, comprised of 100,000,000 people, whose wealth to-day is estimated at twice what it was at the time of the passage of the dependent act in 1890.

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

Mr. SWITZER. Yes.

Mr. BARTLETT. The gentleman will find, if he was here the other day, when we passed—

Mr. SWITZER. I can not yield for a speech.

Mr. BARTLETT. I will give the gentleman the additional time. If the gentleman was here the other day, he will remember that the Pension Committee reported out at least a half dozen bills where the widow had married the soldier some time after that time and a pension was granted. I call attention to that fact because one of the very few cases I have was one of those, and I had not been able to get it considered.

Mr. SWITZER. Mr. Chairman, I think I have just stated that Congress found many cases of old widows who were not

entitled to a pension under the general law whose cases were so necessitous and meritorious that they have been given pensions by special act of Congress; but there are other thousands that are unprovided for, and it will be an utter impossibility to grant special acts for all of them.

There are thousands of widows who are to-day drawing pensions who lived with old soldiers as their wives a much shorter time than thousands of those who married the soldier since 1890. Can anybody give any valid reason why this outrageous discrimination should continue against the widow who lived as the wife of the old soldier for 5, 10, 15, or 20 years since 1890? I know that many will say that this is an inopportune time to press legislation which will necessitate an increase of appropriations to some extent for the next few years; but, with a deficit confronting us in our national revenues, this Congress has enacted a war tax to help build railroads in Alaska, and only yesterday this House voted to issue and sell millions of dollars of bonds to enable the Government to go into the shipping business—to go, you might say, buccaneering upon the high seas in quest of foreign trade—to make conquest of the marts of the world.

If we must contribute to a war-tax fund, I submit that the widows and the dependents of those who have defended the country in time of war ought to be allowed to share in the benefits of that fund, and I think that seven and a half millions of dollars is a reasonable demand for such purpose out of \$100,000,000 of war-tax revenue. Of course, we have been told that this matter ought to go over until next winter, but we are informed through the newspapers that this administration proposes to follow "the watchful-waiting policy" in looking after and caring for the deficit which now confronts us, and with an \$80,000,000 deficit on top of a war tax next December, and with \$48,000,000 of sugar revenue disappearing May 1 following on account of the automatic workings of the iniquitous Underwood tariff law, the same argument that is advanced to-day for postponing this legislation will again be advanced, and it will be accentuated one-hundredfold on account of the conditions to which I have just alluded.

Mr. Chairman, are we to go to the country at the close of this Congress with the proposition that there is no hope during this administration for any legislative relief for the unfortunate widows to whom I have just alluded? It will not do to say that there is no sentiment in this country for this legislation. The Civil War veterans throughout the whole Nation demand it. The Spanish-American War veterans demand it, and the Senate in the closing hours of the last Congress passed a bill, practically the same bill that the Senate committee reported out on the 23d day of May last. The President prevailed upon this House a day or two ago to pass a shipping bill for the moral effect it might have on the legislative body at the other end of the Capitol. It seems to me that it would be wisdom for the Committee on Invalid Pensions to consider my bill and report it out, or some similar measure, and secure its passage through this House in order to wake up the slumbering bill which the Senate committee reported out last spring.

Mr. GOULDEN. Will the gentleman yield?

Mr. SWITZER. I will.

Mr. GOULDEN. I desire to ask the gentleman if he is familiar with what changes or amendments were made in the Senate with regard to the bill they have just reported out with reference to Spanish-American War widows?

Mr. SWITZER. I do not know that I can accurately answer the gentleman; but I think they reported out practically the same bill that was passed by the House. The only difference is that they have recommended an amendment to that bill which takes care of the trouble of which I have just been complaining by giving pensions to widows of Civil War veterans who married soldiers since June 27, 1890, and bringing the bar down to date of the passage of this proposed legislation.

Mr. GOULDEN. I think I agree with the gentleman in the main, but I question whether we would want to bring it down quite as far as that. Perhaps, in common justice, if we should bring it down 10 years it would be about right; say 1900, as many needy and deserving widows of veterans of the Civil War who married the soldier after 1890 are entitled to this recognition.

Mr. SWITZER. There is an honest difference of opinion upon that proposition, but I think at least it ought to be brought down to 1910. I feel confident that the Committee on Invalid Pensions of the House favors some relief of this kind.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BARTLETT. I will yield the gentleman five minutes, having occupied a portion of his time.

Mr. SWITZER. I will take just a moment more. Of course there is great pressure brought upon the members of the In-

valid Pensions Committee by the leaders of the majority to practice rigid economy at this time. They hesitate to act, but we know and the people of this country know that appropriations are being made every day which the revenues of the next fiscal year will be unable to meet, and they know we propose some time in the future to either correct the blunders and mistakes made in the recent revision of the tariff laws or increase some of the existing rates of taxation or develop and enact some new tax machinery to take care of these appropriations and these deficits that we are making at this time. It seems to me it would be the part of patriotism, that it is our duty, to include that small increase of appropriation of seven and a half million dollars, although to some extent enlarging the deficits we know will be on hand at the convening of the next session of Congress. [Applause.]

I yield back the remainder of my time.

The CHAIRMAN. The gentleman yields back three minutes.

Mr. HINEBAUGH. Mr. Chairman, I yield five minutes to the gentleman from California [Mr. J. R. KNOWLAND].

Mr. J. R. KNOWLAND. Mr. Chairman, I was very glad of the opportunity on Monday of this week to cast my vote during the numerous roll calls in favor of the bill (H. R. 12202) to prevent interstate commerce in the products of child labor. Owing to the lateness of the hour when the bill was taken up, and due to the filibuster attempted by certain southern Democrats bitterly opposed to the legislation, practically all discussion upon this important bill was cut off in the House.

I avail myself of the present opportunity, therefore, to briefly discuss this important measure, which is now pending in the Senate, where I sincerely hope it may not be lost sight of because of present chaotic conditions in that body.

Briefly, the bill provides in section 1 that it shall be unlawful to ship in interstate commerce the products of a mine or quarry which have been produced by the labor of children under 16 years of age, or the products of any mill, cannery, factory, or like establishment produced by children under 14 years of age. Products are also prohibited shipment from establishments where children work more than eight hours a day or more than six days a week, or after 7 p. m. or before 7 a. m.

Section 2 designates the Attorney General, the Secretary of Labor, and the Secretary of Commerce as a board to enforce and carry out this law.

Section 3 empowers the Secretary of Labor or any person designated by him to enter and investigate any establishment that produces or manufactures goods for interstate commerce.

Section 4 makes it the duty of any district attorney upon proper reference of violation of the act to prosecute in the Federal courts the violator.

Section 5 provides the penalty for violation of the act. The maximum fine is \$1,000, the minimum \$100, with an additional provision of from one year to one month's imprisonment or both fine and imprisonment, at the discretion of the court.

This section also contains a provision absolving a dealer from prosecution if the dealer can establish a guaranty from the producer or manufacturer that the provisions of this act in regard to age and hours of employees was not violated. This guaranty shall be void unless containing the name and address of the person giving the same. In the event of violation of the guaranty the person giving it is subject to prosecution and penalties.

Section 6 provides that each shipment or delivery for shipment shall constitute a separate offense.

Section 7 provides that the act shall become operative one year from its passage.

Within continental United States in 1900, according to the census of that year, 1,750,178 children between the ages of 10 and 15 years were engaged in gainful occupations. Of this number 142,105 were only 10 years of age, 158,778 were 11, 221,313 were 12, 268,427 were 13, 406,701 were 14, and 552,854 had reached the age of 15 years. This was over 18.2 per cent of all the children in the United States between the ages of 10 and 15 years.

The census of 1910 shows a slight increase in the number of children employed at the ages mentioned—a total of 1,990,225. This is 18.4 per cent of the children of corresponding age, as against 18.2 per cent for 1900, 10 years previously. It is an encouraging sign, and no doubt an evidence of the activities of those engaged in the work of eradicating this evil, that the 1910 census figures show a marked decrease—18.8 per cent—in the number of children of both sexes between the ages of 10 and 15 years employed in nonagricultural pursuits—occupations most harmful to those of tender age.

It is to be regretted, however, that thousands of children are yet employed in coal mines, in poorly ventilated cotton, silk, and other textile mills. Many toil in the sweatshops of the

great cities, in glass factories at night, and in cigar and cigarette factories. The injurious effect of this labor upon the health of children, particularly during the adolescent period, is recognized by those who have made a scientific study of the subject.

While it is recognized that many States have passed child-labor laws, many of them effective, the enactment of a national statute upon the subject is certain to bring about a greater uniformity. It is also recognized that in certain States where the evil is most pronounced no action has been taken.

Opposition is frequently encountered to State legislation from manufacturers who contend that if they are compelled to discontinue the employment of children while their competitors in neighboring States continue to enjoy the benefits of this cheaper labor, the result will prove financially disastrous. This but strengthens the argument for a national attack upon the evil.

In Mississippi over 63 per cent of boys between the ages of 10 and 15 years are employed in gainful occupations according to census bulletins, and over 43 per cent of the girls. In Alabama, North and South Carolina the percentage is about as high.

For many years Congress has been discussing this important subject. It strikes me that the time has come to act. We have passed legislation in this body within recent years to conserve our national forests, to protect the coal of Alaska, to preserve animal life, and to safeguard the scenic wonder spots of the Nation. Shall we longer permit commercial greed to prevent the conservation of our children—the boys and girls who must face and solve the great problems of to-morrow?

Mr. HINEBAUGH. Mr. Chairman, I yield the gentleman from Pennsylvania [Mr. KELLY] 10 minutes.

Mr. KELLY of Pennsylvania. Mr. Chairman, the gentleman from California has just given an illustration of unfair competition in business—the use of child labor by some manufacturers when other manufacturers, more scrupulous, will not resort to such methods. Unfair competition is the greatest curse to American business to-day. It means the law of the jungle, under which the strong and cunning and unscrupulous always overpower the weak. Because of that fact, unfair competition carried to its logical end advances concentration of wealth, control by the few, and monopoly.

One of the most dangerous methods of unfair competition is the price cutting of standard, trade-marked goods, which have in them the reputation of the maker and his purpose to make them products which will secure and retain the confidence of the buying public.

I am in favor of the doctrine that a manufacturer who has distinctly identified his product and fixed its value in the public mind should have the right to protect the sale of his merchandise, the good will of his trade, and the good name of his product by fixing the retail selling price of that product. I contend that the maintenance of the retail price is a necessary and legitimate business principle, that it means benefit to all and works injury to none.

This right of price maintenance for specialties and branded articles was recognized as a legal one until a few years ago. Recently, however, successive decisions of the United States Supreme Court have taken that right from the manufacturer, and an entirely new situation confronts business as a result of these judicial decisions.

For many years the decisions of the Supreme Court held to the general principle that a manufacturer could sell or refuse to sell his goods, as he saw fit. Then the tenor changed, and now the court has practically reversed its decisions and takes the opposite view.

The first case that ended in a decision questioning the right of the manufacturer to fix the resale price was that of the Bobbs-Merrill Publishing Co. against the R. H. Macy Co. of New York.

The Bobbs-Merrill Co. published a copyrighted book which was marked to sell at \$1. The Macy company cut the price, and the publishing company brought suit for an infringement of copyright, on the ground that it had the right to fix the selling price.

The Supreme Court held that as Macy & Co. had made no express contract to sell the book for \$1, it was not bound to maintain the price. The case was decided upon the facts, and thus did not touch on the question of previous agreement or the rights of manufacturers of patented articles. It was important, however, in that it showed the trend of mind of the court, which was followed out in later decisions.

The next case was that of the Miles Medical Co., which sought to maintain the retail prices of its proprietary medi-

cines. The court decided that when a manufacturer sold his goods he parted with all his property rights and could not control the resale price. It was further held that such fixation of price was in violation of the Sherman antitrust law.

Still this case did not touch the question of patented articles, but the rights of the patentee was the question at issue in the next case, that of Henry versus the A. D. Dick Co.

The court upheld the agreement in this case, but Justice White dissented in a minority opinion—and this minority opinion became the majority opinion in the next case decided. This was the case familiarly known as the Sanatogen case, and the decision in it held the opposite view from that in the Dick case. The change of a single vote in the Supreme Court made the doctrine of price maintenance and contracts for price maintenance illegal and in violation of the Sherman antitrust law.

The Waltham Watch Co. case followed, and the court repeated its decision that the patentee, while he might create selling agencies to control the price, could not fix the price after outright sale to the dealer.

This was the last case decided and finished the series of decisions in which the Supreme Court has completely changed its former attitude, and now holds that contracts for the maintenance of the price of copyrighted or patented articles are illegal, contrary to public policy, and void under the antitrust law.

The court makes three exceptions in its decisions, and declares that manufacturers can maintain prices, first, by establishing selling agencies dealing directly with the ultimate consumer; second, by reserving a substantial royalty from the retail price; third, by selling direct from the plant through personal application or mail orders.

That is the situation as it stands at present. Because of this judge-made law, made in some instances by one man only, manufacturers face entirely new and wholly unjust conditions in the transaction of business. Uncle Sam makes it a crime for anyone to sell a postage stamp at less than its face value. Price cutting on his brands is prohibited, but price-cutting dealers are permitted and encouraged to depreciate the value of the goods of independent manufacturers without let or hindrance.

To remedy the injustices involved in this situation, an act of Congress is necessary, and such a measure, known as the Stevens bill, is pending in this Congress. It provides that maintenance of price shall be legal, provided that the producer does not have a monopoly of a general class of merchandise and is not a party to a combination for the purpose of securing such a monopoly. It provides that the price must be printed on a notice affixed to each article and that the producer must file with the Bureau of Corporations a statement giving the brand, trade-mark, and so forth, and the uniform price to wholesalers, retailers, and consumers. Articles may be sold for less than the uniform price when a dealer retires from business or becomes bankrupt, or if the goods are damaged or soiled. In such cases, however, the dealer must offer the manufacturer or vendor the opportunity of purchasing the articles at the price paid for them.

I submit that this measure should be passed. I believe that the right to fix the retail prices of standard brands of merchandise of fixed quality is a benefit to the manufacturer, dealer, and consumer.

It will protect the manufacturer from unfair competition, and will prevent trade pirates from ruining his business.

The manufacturer produces a standard article and gives it a trade-mark or trade name. He spends his money to make that name mean quality to the public mind. He has a right to be protected after he has made that individual trade name valuable, for it is his property, and his alone. Under the law to-day he may collect damages from those who steal it from him and use it for themselves.

But the value of his trade-mark is not alone in the name or in its form or color or shape. It is more than a certain kind of box or label. It is a symbol to the public of a certain quality of goods and the character of the concern that makes them. Any practice, therefore, that injures the article in the public mind and damages the reputation of the firm is as unfair as the theft of a trade-mark itself. It should be equal ground for a suit for damages.

Mr. WEBB. Will the gentleman yield?

Mr. KELLY of Pennsylvania. I will.

Mr. WEBB. Does the bill to which you refer apply only to trade-mark goods?

Mr. KELLY of Pennsylvania. It refers to all standard identified goods which are not monopolized, and its purposes are clearly expressed in the bill itself.

Mr. WEBB. That is, all goods that have been well advertised?

Mr. KELLY of Pennsylvania. All goods that have been identified by the manufacturer until they have a certain value in the public mind.

Mr. WEBB. Who is to decide that question?

Mr. KELLY of Pennsylvania. The decision must be made, under this bill, by the manufacturer when he gives his trade-mark to the Bureau of Corporations, together with his uniform price to the wholesaler, retailer, and consumer.

The manufacturer of such an article must put real value into his goods and he must make the public want his article. He individualizes it and gives it a name to be known by. He must establish a general market and advertise constantly the merits of his goods. He advertises the price, for he must convince the public that it is worth the price asked and persuade the people to go to a store and pay that price.

This is the manufacturer's most valuable asset, and upon it depends his business. But after he has made his article mean a certain value and quality and has created a demand from the public the price cutter begins his attack. In fact, it is because of this value and this demand for a particular article that leads the price cutter to select it. The public knows the value of the article and may be fooled through a low price on it into buying articles of which they do not know the value. The manufacturer is penalized for having made a uniform, individualized, known value, and known quality product.

The price cutter takes this widely known article and reduces its price below cost. He does this, not for the purpose of selling more of them, for the fewer he sells the better he is satisfied and the less he loses. He wishes to attract customers on the strength of this bargain price so that he may sell other goods at a greater profit than that on the standard goods. He seeks to create the impression that all his goods are sold at prices proportionately as low as that on the article whose value is well known to the public.

Now, it is obvious that other dealers must meet this cut price if they are to continue on an equal plane with this competitor. They cut the price to an equal or lower figure, but at the same time they lose all desire to sell the article on which they are forced to lose money. That strikes a fatal blow at the manufacturer, for his market is destroyed and he is helpless to prevent it. Cheaper substitutes are sold instead of his article and dealers in time refuse to carry his goods at all. His advertising and his efforts in every way to make his trade-mark mean a certain price and a certain value are rendered useless through the practices of price-cutting trade pirates.

I consider that such unfair competition is as bad as outright theft of trade-marks and brands and should be as severely frowned upon by the law. It is a case of stealing a man's good name, which, as Shakespeare said, is worse than stealing his purse. The manufacturer's name must mean value or he can not build a permanently paying business. That value is an asset as valuable as his plant and merchandise. I contend that he has a right to ask and to receive protection from those who would rob him of this value. That protection can only come through the right to maintain a uniform selling price to the buyers of his product.

I believe in the referendum, in submitting matters of public welfare to the people and abiding by their decision. When a manufacturer refers his case directly to the people and gets a favorable vote from the people in their demand for his product, I believe he should have the benefit. If he does not get a favorable decision he goes out of business, and I am opposed to putting him out of business because he does get a favorable decision. And that is exactly what price cutting means to the manufacturer who has made a standard article and created a public demand for it.

But I go further than the manufacturer and contend that uniform selling prices of standard branded goods will benefit the retailer also.

Mr. NORTON. Will the gentleman yield?

Mr. KELLY of Pennsylvania. I have only 10 minutes, but I will yield.

Mr. NORTON. Has the gentleman received very many demands from his constituents, outside of retailers, for this bill?

Mr. KELLY of Pennsylvania. I have had demands from manufacturers, retailers, and consumers.

Mr. NORTON. Very many of them?

Mr. KELLY of Pennsylvania. I have received demands from a number of consumers, and I will take that phase up in a moment. I believe it is as fair to the consumer as to the retailer and manufacturer. If it were against the consumer's interests I would not be for the proposition.

Mr. WEBB. Does the gentleman indorse the principles enunciated in the Dick against Henry case? Do you believe that

the patentee ought to go as far as that decision said he had a right to go?

Mr. KELLY of Pennsylvania. I believe the patent question can be decided on another line entirely. If a manufacturer has a monopoly, this bill provides that the strong arm of the Government shall break the monopoly, for private monopoly and liberty can not live together. The argument that the gentleman refers to, and that is in his mind, is that this bill is favorable to monopoly. It is not a help to monopoly. It is a means of breaking monopoly, because price cutting, not price maintenance, leads to concentration of power, and power in the hands of a few, and monopoly.

Mr. CAMPBELL. Will the gentleman yield?

Mr. KELLY of Pennsylvania. I will.

Mr. CAMPBELL. Does the bill define a monopoly?

Mr. KELLY of Pennsylvania. The bill goes to the Sherman antitrust law for the definition of monopoly, as I understand it.

Mr. CAMPBELL. How is it to be ascertained as to how the goods shall go on the market under the monopoly clause of the bill?

Mr. KELLY of Pennsylvania. Whenever a manufacturer or a combination of manufacturers has a substantial monopoly of a certain general class of merchandise, then of course that does not come within the scope of this bill, and the antitrust laws operate. But let me return to the retailer. Cutthroat competition never did and never will help the business of the average dealer.

I will admit that this may not hold good as regards mail-order houses, department stores, and so forth, because their interests seem to lie in the direction of putting the little merchant out of business and taking his trade. I am not anxious to help them do that and I am willing to let them take care of themselves, and without doubt they are perfectly able to do it. I take my stand on the side of the little corner store against the great combinations that threaten to wipe it out of existence. I stand with Littlefellow & Co. against the Soak-em-good mail-order houses. I consider the neighborhood store a necessity and I want it to have a fair chance, no more and no less, to grow greater and finer.

The large semimonopolistic retail establishments want the right to enforce cutthroat competition because they know that in such a jungle warfare the strong and cunning always triumph. Mr. Straus, of Macy & Co., when testifying before a congressional committee last year, was asked what would happen to the retailer of small financial ability if the consumers are led by cut prices to patronize large department stores and mail-order houses. He replied that the little retailer would either "wake up or go to sleep." He was right in the last phrase, for the little retailer would go to sleep permanently. He would be a victim of the knock-out drops of unfair competition. If he is not rich enough and powerful enough to compete on such an unfair basis with these gigantic combinations he must go out of business, and Mr. Straus and the others are in favor of putting him out and seeing that he never comes back.

Under fair conditions, however, the little retailer can compete with and outdistance the big mail-order houses. He can not do it on cut prices on standard goods, for the big establishments can lose money on a few articles and make it up on others in their large and varied stocks. They make it up, rest assured of that, for it costs them far more to do business than the little dealer, and the large dividends paid by the great mail-order houses show how profitable their dealings are in the aggregate.

It has been proven by sworn testimony that the big mail-order houses and department stores do business at a much greater cost than the small retailer. They have higher expenses and must make greater margins on goods sold. It follows that they can not afford to cut the cost of any article, and if they do they are compelled to make more than a fair profit on other goods sold. They use certain standard articles as "pullers-in" in order to tempt the people to buy unfamiliar and unnamed goods at unjust prices.

Prof. Neystrom, professor of economics in the University of Wisconsin, before the Judiciary Committee of the House on March 19, 1914, showed that the average cost of doing business to the small retailer is between 15 and 18 per cent; to the large mail-order houses it is from 27 to 30 per cent; and to large department stores 30 per cent and more.

These immense establishments must make a greater average profit than the small retailer, but they are able to destroy the market for the small dealer on every standard, trade-marked article on which they cut prices.

The history of the United Cigar Stores shows the effect of price cutting. In 1912, 1,252 cigar manufacturers went out of business, and in 1913, 716 cigar manufacturers went to the wall. All over the country, in every town and city invaded by these stores the retail tobacco dealer was ruined. In New York City 90 per cent of the retail dealers have been forced out of business by this combination. The small dealer must handle standard brands in order to satisfy his customers, but he can not afford to cut them below cost as do the United Cigar Stores. He can not carry the large stock of unknown brands on which to recoup his losses.

The same situation obtains in the drug business, the grocery business, and other lines. Half of the business of the smaller stores in these lines is in standard, trade-marked goods. If the market is destroyed by reckless price cutting, the little merchant must go out of business. He is between the devil and the deep sea. He can not meet the figures of the price cutter, and if he does not, he loses his customers.

Systematic price cutting was an invention of the Oil and Tobacco Trusts, which sold their products below cost in certain localities in order to crush competition. It is now being used by great mail-order houses and department stores to crush the small dealer. Public policy and the common good demand that this power be taken from them. It can only be done through the right of price maintenance, which will prevent the use of their unfair methods of competition.

Price maintenance does not mean less competition between retailers, it means less unfair competition. There is a competition in the quality of goods and in service just as much as in price. Retailers who sell the same goods from the same factories should not compete in prices. The competition should be between goods of the same class made in other factories.

That puts the competition on a fair basis, on price, quality, and service instead of solely on ability to stand losses until a competitor is driven out of business. It gives the retailer the reward of enterprise, efficiency, and honesty, instead of forcing him to descend to the level of trickery of trade pirates or go out of business.

The Stevens measure permits the retailer in case of clearance sales, retirement from business, bankruptcy, and so forth, to sell below the uniform price, provided he offers the goods to the manufacturer at the price paid for them. This permits the sale of damaged, soiled, or shopworn goods and protects both the manufacturer and the retailer at the same time.

But there is a still more important phase of this question. The maintenance of prices means benefit to the consumer. If it benefited the manufacturer and the dealer at the expense of the buyer, I should be opposed to it. The greatest good of the greatest number should be the sole purpose of legislation, and every American citizen is a consumer, while but a comparatively few are manufacturers and merchants.

But price cutting of standard articles, while ruinous to the maker and seller, never has been and never will be of permanent advantage to the buyer. In the end it adds to the cost of living and injures the entire body politic. It is a bad thing for America to have its labor or any part of its labor paid less than a fair wage. It is just as bad for America to have its business or any part of its business conducted at less than a fair profit.

When a purchaser goes into a store for goods, he desires to get the most value for his money with the expenditure of the least time and effort. The cut-price system is based on the old doctrine, "Let the buyer beware." It is a return to the old days when the purchaser was forced to make the rounds of the stores, compare the goods and the prices, and then, after finding the articles desired, haggle with the merchant until a price was agreed upon between them. That meant that the chances were all in favor of the consumer being cheated. He was dealing with a man who knew more than he did. The buyer could not possibly have the knowledge necessary to compare all kinds of unmarked merchandise and fix their value, and, as a result, swindling him was easy. Price tags meant nothing, and the entire matter of shopping was a lottery, pure and simple.

The introduction of standard, trade-marked articles, advertised and proven, changed the system of "Let the buyer beware" into one of "Protect the buyer."

When A. T. Stewart, three generations ago, revolutionized retail business by his one-price-in-plain-figures system, he took the first great step in that direction. With one stroke he abolished the system of haggling in his own store. He cut down the time required for shopping in his store and reduced the number of salesmen required, for the customers could see the prices for themselves. In this way he cheapened the cost of selling, re-

duced the price of goods, and made a tremendous success of his business.

But that only applied in one store. The system of standard, trade-marked goods sold in all stores at one price was a still greater step toward fairer and better merchandising. Under it the customer can go into any store at any time and be sure of securing exactly what he wants and at the same price always.

All fair-minded observers must admit that the practice of selling unnamed goods from bulk packages gives unnumbered opportunities for cheating customers. A committee investigating conditions in New York City found cheating rampant among stores selling goods to the poorer class of customers. They found that the same coffee from the same sack was sold at 25 and 37 cents a pound, and that the same tea from the same chest sold at from 35 to 70 cents a pound. This system may be carried on by dishonest dealers without fear of detection, for there is no way for the buyer to distinguish the goods from one day of purchase to the other.

Miss Laura A. Cauble, a social worker in New York, testifying before the Judiciary Committee of the House as to her work in connection with the distribution of a fund donated by a wealthy New York woman for the relief of some 8,000 families of New York poor, said:

The committee having the distribution of this fund found that it was spending an abnormal amount of money for the amount of nourishment the food we purchased contained, and an investigation was begun to determine how we could increase the purchasing efficiency of the money at our disposal.

I obtained samples of staple supplies at both small corner grocery stores and "chain stores" with a view to having them analyzed and obtaining bids on this basis from dealers.

We found three grades of tea—one at 40 cents, one at 60 cents, and one at 90 cents. Analysis demonstrated that all this tea came from the same chest, and the bid we received on this grade of tea was 22 cents a pound. Coffee, we found, was sold in the same way, and in the "chain stores" we found an average of 10.8 per cent short weight.

The larger stores, too, were cutting prices on standard goods, but their other supplies showed a general inferiority.

On the same blocks with these larger stores the small stores were being forced to cut on standard goods.

I investigated 526 small shops in one year, and during that time price cutting in the larger establishments either forced the sale or the failure of 116 of these smaller stores.

The consumer is protected by the system of standard, trade-marked, one-price, one-value goods. He tries the article and finds it to be satisfactory at the price asked. That gives him a standard with which to judge other articles in the same class, and he can be less easily cheated in the future.

He finds that he can go into any store and purchase the article without loss of time and be sure that he is getting exactly what he desires for his money. He finds that he can even telephone or send a child to the store and be sure that he will not be overcharged or get something different from what he desires.

If we were to go back to the old system of unidentified, unmarked goods, where every purchase is a gamble with the shopkeeper, the consumer would be hurt worst of all by such return.

Price cutting on standard articles means exactly that return in the last analysis. It means making a nation of deceitful bargain hunters, putting a premium on cheating practices, and placing a handicap on the honest dealer, while injuring the buyer from every angle. It forces the lowering of quality in all articles and the substitution of articles of a poorer grade for the standard articles driven from the market. The retailer must make a profit to stay in business; if he can not make it on some articles, he must increase his profits on others. The consumer must pay more for other articles when he purchases certain goods below cost. The Supreme Court of Washington stated that clearly, in a decision upholding price maintenance, when it said:

It is a fallacy to assume that the price cutter pockets this loss. The public makes it up on other purchases.

Mr. Chairman, I want to take up the thought of the gentleman from North Carolina [Mr. WEBB], who seems to infer, judging by his questions, that this bill would give a monopoly privilege. Now, if that were true, we could not defend a bill like this; but it is not true.

Mr. WEBB. Mr. Chairman, will the gentleman yield there, just to make the question plain?

The CHAIRMAN. Does the gentleman from Pennsylvania yield to the gentleman from North Carolina?

Mr. KELLY of Pennsylvania. Yes.

Mr. WEBB. I cite the Dick case, where a man had a patent on an inking machine. It was contended that he could not use other ink, not patented, on that machine. I do not think the American people will stand for that sort of thing, because there you not only give a man a monopoly that his patent gives him,

but require something that amounts to a monopoly that his patent does not give him.

Mr. KELLY of Pennsylvania. That is what I had in mind. The fact that a manufacturer may have a patent monopoly is entirely aside from this proposition, because if there is a monopoly the law against restraint of trade applies and is clearly intended by this measure.

If price maintenance meant monopoly I should oppose it with every power I possess, for nothing harms the public like private monopoly, and the sooner its power to control markets and exploit the people through unbridled power is curbed the better it will be for the Nation.

But it is price cutting that means concentration of power and restraint of trade. It is more than that—it is a destroyer of trade. It gives the big combinations the power to drive small competitors out of business, and when they are destroyed the big establishments have the public at their mercy. Price cutting is the weapon of the seekers of monopoly in the retail trade of the country just as it was the weapon of the Oil and Tobacco Trusts in their efforts to crush out all competition.

Price maintenance will prevent unreasonable prices instead of making them more probable. Fair and honest competition between manufacturers of similar goods prevents any one of them from fixing and securing an unreasonable price. If he does fix an unreasonable price his competitor steps in and takes the business. Give us fair competition and we can safely allow the independent manufacturer to fix what price he will. There is all the difference in the world between controlling the market on all safety razors, for instance, and controlling the market on a single razor. If all the makers of razors should combine for the purpose of monopolizing the entire market they then should be dealt with by the strong arm of the Government, for no private monopoly can be tolerated safely in a free country.

But price maintenance has for its very purpose the prevention of restraints of trade and the practices which suppress competition and make monopoly possible. It is directly in line with the spirit of the Sherman antitrust law.

The trusts which do fix prices do not injure the public because they can fix prices, but because they have the power of monopoly to fix the price at an unjust figure. I am eternally opposed to the combinations of capital which are able to monopolize the market and fix the price they choose for their products; but I contend that the fixing of the retail price by independent manufacturers will prevent monopolies and chains of stores controlling ever wider fields of action.

The monopolist is not interested in a measure for price maintenance. The public needs his product and must come to him, and the merchant can go nowhere else. The manufacturer of unlimited capital is not interested in this measure, for he can establish a chain of stores across the country to handle his own goods and have the approval of the Government.

It is the independent manufacturer without a monopoly, without unlimited capital, but who has originality and enterprise and ability, who asks a square deal in business, and I believe he has a right not only to ask for it but to receive it.

The fight on this measure is clear-cut and distinct. The contending forces are price cutting and substitution on one side and on the other standard merchandise and the one-price system.

It is the same fight as was witnessed years ago over railroad rates. In the days of unfair and unrestricted competition in the railroad business there was a riot of dishonesty and carnival of corruption. Rebates, free passes, cut rates, and special privileges were the weapons used, and they built up a few monopolies on one hand while they crushed countless honest dealers and manufacturers on the other. Then the American Government stepped in and said that the rates should be the same to all, and fixed on a fair basis. No one to-day would wish to see a return to those piratical, jungle days of cut-throat competition, although there was bitter opposition at the time from the railroads, who were being ruined by the conditions.

I am for the one-price, square-deal-to-everybody system in merchandising. Not many decades ago a man could not sell his good will in business and agree to retire for a certain period. A famous English judge once declared that a certain man who sold his good will and agreed to stay out of business for six months was guilty of a restraint of trade and would be fined if brought into court.

To-day it is recognized that a man can sell his good will and that it is a recognized asset in his business. We will soon recognize, too, that there is such a thing as character in goods, expressed through an individual mark or brand, which means a certain value in the public mind. Justice demands that makers of these goods be given protection from unscrupulous trade pirates.

Fair play means fair trade. The fixed, uniform, and fair price to all is for the best interests of the buying public, the independent dealer, and the independent manufacturer. Congress should make every effort to end this unfair competition and assure a square deal to every party concerned in a merchandising transaction.

Mr. BARTLETT. Mr. Chairman, I can use some time on my side.

Mr. HINEBAUGH. I can use some here. I yield 30 minutes, Mr. Chairman, to the gentleman from Minnesota [Mr. STEENERSON].

The CHAIRMAN. The gentleman from Minnesota [Mr. STEENERSON] is recognized for 30 minutes.

Mr. STEENERSON. Mr. Chairman, during the consideration of the Post Office appropriation bill on December 31 I took occasion to discuss national finances and the growing deficit in the Treasury and to admonish the Democrats to cease from attributing the deficit to the European war. At that time I had before me the October summary of foreign commerce issued by the Department of Commerce, which gave the figures for the first 10 months of the calendar year 1914. I used unofficial figures for November and estimates for December in computing the imports and customs revenues for the year. I then pointed out that the falling off in customs revenue was in the main due to lower tariff and not to decrease of imports.

That was the statement made by the gentleman from Alabama in the closing debate on the conference report on the bill. That statement was based on the Treasury figures and the statement which he printed in the Record. So it was no guess. The Underwood law was intended to produce \$249,000,000 a year, or from \$70,000,000 to \$80,000,000 less than the old tariff act which it superseded. It is also pointed out that it came within about \$6,000,000 of doing so. In my former remarks I said that, estimating the imports for December at the same as they were in November, the total imports for 1914 would exceed by a few dollars the imports for the previous year. But the official figures now show that the falling off for December was more than was estimated, and that the total imports for 1914 were \$3,320,479 less than for the previous year.

In 1913 there were nine months of time under the Payne law and three months under the Underwood rates, so that we did not get the full benefit of the rates of the Payne law for the whole year, but we collected in 1913 \$310,551,961 in customs revenues, while in 1914, under the Underwood rates, we collected \$241,384,619, a falling off of \$69,167,342.

Now, I want you to note this particularly. In my former remarks I said that the actual receipts would fall but five or six million dollars below the \$249,000,000 estimated by Mr. Underwood for the fiscal year 1915. They actually fell off \$7,000,000, so that I was not far out of the way, because, as I have shown here, they were \$241,384,619. But the whole falling off in customs receipts between the two years was more than \$69,000,000, whereas the falling off in the total imports was only \$3,000,000. It is plain that you could not lose \$69,000,000 in customs receipts from a falling off in total imports of \$3,000,000. So that it stands absolutely established by the official figures that it is the lower rate of duty under the Underwood law and not the smaller imports that is the cause of the smaller income.

I have now received and have before me the monthly summary for December, giving the official figures for the whole calendar year 1914.

I read from this summary, which shows that in December the average ad valorem rate of duty based on total imports was 11.06 per cent. During 1912, the last year in which the Payne rates were in full force, we collected on the average on total imports 18.14 per cent. During 1914, the calendar year that is just passed, we collected, according to this official statement, 13.62 per cent. Now, how can anyone contend that we could collect as much money when we collected 13 per cent as when we collected 18 per cent? The making of such a claim passes comprehension. It must be plain to any fair-minded person who wants to think that they have attributed the falling off in customs revenues to the wrong cause.

The President, in his address to Congress asking for the war tax, as he called it, referred to August, 1913, and said that the falling off in revenue was ten and one-half million dollars. He made a mistake of about a million dollars, but, as it was against his own side of the contention, I presume it was purely accidental, but it shows carelessness. Now, the total imports for August, 1913, were \$137,651,553, and for August, 1914, they were \$129,767,890; mark you, only a decrease of \$7,883,663.

Upon that falling off in the total amount of imports—that is, the decrease of imports of \$7,000,000—the President asked us to believe that we lost \$11,500,000 of revenue. On that theory he must have proposed to put a duty on the goods that we

did not get of about 150 per cent. Of course no Democrat would propose such duties as that. In other words, the amount of imports for August, 1914, were \$7,883,660 short of August, 1913, but assuming there had been no decrease, that the imports for the two months had been the same, we would have collected 13.62 per cent on the \$7,883,660, or \$1,073,754. Give the war credit for the whole decrease in imports that month and you account for \$1,073,754 falling off in customs receipts due to war, and the other \$10,429,835 of the August shortage must be due to the lower rate. In other words, the decrease of imports (war) explains the loss of one million customs revenue in August last, and the low rate of the Underwood law explains the loss of ten millions. The war was a minor factor, and the low rate and large free list was the main factor.

During the seven months immediately preceding the war the total imports were \$1,140,593,373, an increase of \$121,944,698 over the corresponding months of 1913, and yet the receipts from customs fell from \$180,000,698 for the former period to \$156,640,150 for the latter. A decrease of \$23,360,548.

This disposes of the contention that the war was either the sole or the main cause of the reduced customs revenue. I do not think that now, after the campaign excitement is over, that even the President, strong partisan though he may be, would repeat the assertion in his address, to wit:

I need not tell you to what this falling off is due. It is due in chief part, not to the reductions recently made in the customs duties, but to the great decrease in importations; and that is due to the extraordinary extent of the industrial area affected by the present war in Europe.

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

Mr. STEENERSON. For a question only.

Mr. FOWLER. Will the gentleman please give us the total income for the fiscal year 1913-14?

Mr. STEENERSON. The total income?

Mr. FOWLER. The total revenue.

Mr. STEENERSON. I am not talking about total income. I am talking about customs revenues, which is what the President referred to in his address. That would be another speech. I have got one, but I am not delivering that speech now.

Mr. FOWLER. Will the gentleman yield?

Mr. STEENERSON. No; I will not yield further. These figures are quite complicated, and I desire to finish the argument. I said that it would not be fair to the Democrats to say that the war did not have some effect upon customs receipts, but what are they? How much has the reduced importations reduced the revenues? I have figured out the difference between the imports for each month, August, September, October, November, and December, 1914, according to the official figures, and I find that during those five months since the beginning of the European war the value of the total imports decreased \$134,936,427. But supposing that those imports had come in and that we had collected on them the same rate that we collected on what actually came in? Then you gentlemen who supported the Underwood tariff law ought to be satisfied. If there was no falling off in imports, then the war could not be the reason, for you say the war stops imports. Now, if there had been no falling off, and we had actually collected 13.62 per cent, the duty that we actually collected on what came in, then whatever falling off there was in customs receipts was due to the lower tariff rates. That was the test the President made, the difference between the total imports for August, 1914, as compared with 1913. If we apply the same test to the five months since the war up to the beginning of this year and give the war credit for the whole decrease we find this result. The total decrease for those five months in the value of imports was \$134,936,427. But if those goods had come in, the duty at 13.62 per cent would have amounted to \$17,892,570. That is every cent that you can honestly claim to have been the deficit caused by the European war in the falling off of imports last year as compared with 1913. But what does \$17,000,000 amount to in this deficit? Why, I have here the Treasury statement for February 15. It shows that where you started out with nearly \$150,000,000 balance in the general fund, there was on February 15 a net balance of \$45,433,746.06. And over on this page I find net excess of all disbursements this day over receipts, \$1,231,376; and for the first 15 days of this month of February, 1915, the excess of expenditures over receipts was \$11,586,843. In the corresponding month of 1914 the excess was \$6,686,571. For the fiscal year 1915 to this date the excess of expenditures over receipts, \$100,757,386.75. You have in six and a half months spent more than \$100,000,000 in excess of the receipts of the Government. That is only for the first seven and a half months of this fiscal year. For the fiscal year 1914 you spent \$45,793,482 more than the receipts. At this rate you will exhaust the forty-five million in the general fund inside of four months.

Now, assuming in fairness, as I say, that you lost \$17,000,000 in customs revenue the last five months of 1914 by reason of

the decrease of imports, it would not help you out very much on a deficit of \$100,000,000. But, as I have shown already, take it for the whole calendar year, the decrease of imports is only \$3,000,000, and if it was not for the lower rates and your larger free list you would hardly have lost anything in the customs revenue as compared with the year before.

Now we come to another cause. I do not know how true it is, but the gentleman from Alabama [Mr. UNDERWOOD] the other day, in the debate on the naval bill, said that in addition to the deficit in ordinary expenditures there will be a deficit in the Post Office Department, due to the falling off of postal receipts, of at least \$14,000,000 unless conditions change very much. That condition, he said, had been brought about to a large extent by reason of the war in Europe.

Here is the same scapegoat, that you have been working for lo! these many months, coming into the postal affairs. You have all read the Scripture of how they used to put the sins of the people on the poor goat and send him out into the wilderness. You have been using the European war as that kind of a goat, and this is the last attempt.

The gentleman from Alabama said:

In addition to that—the deficit in ordinary expenditures—there will be a deficit in the Post Office Department, due to a falling off of postal receipts, of at least \$14,000,000, unless conditions change very much. Of course, that condition has been brought about to a large extent by reason of the war in Europe. Our foreign mail service is not paying the revenues to the Government that it has paid in the past, which is natural, and the cost of the service is practically the same. So that as this condition faces the country and the House, unless you are willing to retrench in expenditures, or unless, when the next Congress meets, you are willing to increase the taxation, you are going to face a deficit in the Treasury of something like \$35,000,000.

Now, here is the majority leader by main strength bringing in an imaginary postal deficit and attributing that to the war. He was not satisfied with the former record in laying the general deficit to the European war, but he says there is a great profit in the foreign mail and the foreign mail is decreasing.

What are the facts? I have here before me the report of the Second Assistant Postmaster General, and this story about a great profit in the foreign mail is an old one, so old that its whiskers reach clear to the floor. [Laughter.] It used to be put forward in Republican administrations as an argument for a subsidy to steamship companies, because they said that we made so much money on the foreign mails that we could afford to spend a few million dollars for subsidies. I am sorry now that we did not do so, for it might have avoided the present demand to tax the people for \$40,000,000 to aid a merchant marine.

Mr. MADDEN. There has been a balance against it for several years, has there not?

Mr. STEENERSON. That depends on how you figure the matter. The Postmaster General in his report says that the net cost of the Foreign Mail Service was \$3,565,323.89; and then, on another page, he says the amount collected as postage prepaid by the sender and as deficit postage collected of the addressees in this country amounted to \$11,872,074.98. But he says the amount of mail to Canada and Mexico is estimated at so much, and of course that did not go by foreign steamship. That leaves \$8,222,000. Of course that would leave a profit of about four and a half million dollars. But remember that under this calculation there is no account taken whatever of the shore expenses.

Under the International Postal Union rule every country collects all the postage upon articles mailed within its boundary and keeps it, and if there is any short postage on incoming mail they collect that and keep it. Each country pays the transportation for the outgoing mail—not only the inland cost, but the ocean cost—and they do not charge anything for the transportation of the incoming mail. The report shows that there were 25,000,000 pounds of foreign mail. Now, if we estimate the incoming mail at 20,000,000 pounds—and that is conservative—we would have 45,000,000 pounds of mail, 20,000,000 pounds transported from the ocean inland and distributed to the addressees, and we would have collected all mail going to foreign countries, hauling that, too, without any charge for it. If you charge at the rate of 8 cents a pound, which Postmaster General Hitchcock estimated it would cost to handle second-class matter, we would have \$3,600,000 to be charged to foreign mail, which, deducted from the alleged profit, leaves just about \$1,000,000 actual profit. If the volume of foreign mail has decreased one-fifth, the loss would only be \$200,000. But it is not correct to say that if there was a falling off it would be all loss, because the expenses would be less if it fell off.

Mr. LLOYD. Will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. LLOYD. Is it not a fact that the postal receipts have fallen off largely since the 1st of August, and that there is a deficit from the 1st of August up to the present time?

Mr. STEENERSON. No, sir; I think the gentleman is entirely mistaken. I telephoned to the Post Office Department yesterday, to the office of the Assistant Postmaster General, Mr. Dockery, and they said that the report for the quarter ending September had not been received, and that there were no official figures whatever to be obtained.

Mr. LLOYD. You may not be able to obtain official figures, but there can be no question of the fact that there has been a positive reduction in receipts since the 1st of August.

Mr. STEENERSON. That may be, but it is not due to falling off in the foreign mail. It is due to the depression of business which is general throughout the country, due to a Democratic administration. [Applause on the Republican side.] There is no better index to the business of the country than the volume of the first-class mail. You can find that in the administrations all the way down from Lincoln to the present time. During the time of protection there has been prosperity and a large volume of mail, and it is the best index. Whenever the shadow of free trade has come upon the country under Democratic administrations the postal receipts have fallen off. [Applause on the Republican side.] I expect they will fall off, but this story of the gentleman from Alabama [Mr. UNDERWOOD] that it is due to the falling off of the foreign mail is 99 per cent moonshine. I telephoned to the steamship office, the American Line—

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

Mr. STEENERSON. In a minute—and they said their load had greatly increased in the trans-Atlantic mail. I have a letter here from the officials to show that the decrease in the foreign mail is but a bagatelle. I will print it. But suppose it was all wiped out, it would not account for a \$14,000,000 deficit or a \$4,000,000 deficit or a \$2,000,000 deficit or a \$1,000,000 deficit in the postal receipts.

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

Mr. STEENERSON. Mr. Chairman, I will ask the gentleman from Illinois to grant me more time.

Mr. HINEBAUGH. Mr. Chairman, I yield 10 minutes more to the gentleman from Minnesota.

Mr. LLOYD. Mr. Chairman, will the gentleman yield there?

Mr. STEENERSON. For a question.

Mr. LLOYD. Is it not true that during the last fiscal year the postal receipts largely increased?

Mr. STEENERSON. I believe they did increase some, but not very much.

Mr. LLOYD. Is it not true that it resulted in a surplus?

Mr. STEENERSON. Oh, that surplus is another fictitious thing. That surplus is not a genuine surplus. The volume of postal business increased because you increased the weight of the mail by lifting the amount to be carried by parcels post up to 50 pounds. Of course, if you are going to do business at a loss, you can increase the receipts, but you increase the expenditures twice as fast as you do the receipts. [Applause on Republican side.] That is not the way we do in the Republican administrations. When we have prosperity and lots of first-class mail, upon which we make a large profit, we show large postal receipts as compared with previous years.

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

Mr. LLOYD. Is it not true—

Mr. STEENERSON. Oh, the gentleman is taking up my time, and I decline to yield. Well, I will take that back. I will yield that he may ask me a question.

Mr. LLOYD. Is it not true that the parcels post results in a profit to the Government?

Mr. STEENERSON. There may be a small profit on some of it, but on the most of it there is a loss. You know very well that is what is the matter with the Post Office Department today. The Postmaster General knows that his orders increasing the weight of mail has so overburdened the transportation companies that if he pays the present rate there will be a deficit. That is what is the matter with him.

Mr. LLOYD. Oh, I beg the gentleman's pardon—

Mr. STEENERSON. The gentleman knows very well. He was on the commission that investigated it, and he knows very well that the fear of this administration is that they can not continue to pay the transportation rates under the old weights of four years ago; that very soon there will be new weightings after the volume has been increased by large packages in the parcel post, and that as a result of that the gentleman's commission and the department have proposed to pay by space instead of by weight. That is the secret of that proposition. I voted for it because I wanted to help the Government as much as I could, even though it might be severe on the transportation companies.

Mr. LLOYD. The gentleman certainly wishes to be fair to the Post Office Department?

Mr. STEENERSON. I do.

Mr. LLOYD. And the Post Office Department unquestionably gives out the information that the parcel post has resulted in a profit to the Government.

Mr. STEENERSON. How can they give such information out when they have not got it? [Applause and laughter on the Republican side.] They tell me that they have not got it. I telephoned them yesterday and they said that Gov. Dockery was absent, but they said also that they could not give any such information because the reports had not been received.

Of course, if they give Democrats their confidence and give them information that other members of the Committee on the Post Office and Post Roads can not obtain, I can not help it. I have to go according to the light that I have, and not according to any such information as the gentleman may have.

Mr. LLOYD. Mr. Chairman, it is unfair to Gov. Dockery, the Third Assistant Postmaster General, to charge him now with failing to give out information.

Mr. STEENERSON. I do not charge that, because they tell me that they do not have it.

Mr. LLOYD. Because he at this date is home on account of the death of one of his friends.

Mr. STEENERSON. Oh, I think the world of Gov. Dockery. He is a friend of mine, and I admire and I love him, but he can not give information that he does not possess.

Mr. LLOYD. He has the information that the parcel post is a success.

Mr. STEENERSON. The Post Office Department proposes to reduce the rural carrier service, and they propose to refuse all new star routes and rural routes, and they propose to economize at the expense of efficiency. They propose to get out of the odium by saying that it is all due to the war, which we can not help; but we will show that it is due to blundering Democratic legislation, which we can help and which we will help in the near future. [Applause on the Republican side.]

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

Mr. STEENERSON. Yes.

Mr. McKENZIE. Mr. Chairman, I would like to ask the gentleman, in connection with the parcel-post proposition, whether or not since the Postmaster General has increased the size of the parcels any steps have been taken to pay the railroad companies of the country for the increased expense of carrying that increased weight?

Mr. STEENERSON. Oh, I believe Congress, on the estimate of the department, made an appropriation of 5 per cent.

Mr. McKENZIE. I mean since the order has been made increasing the size of the parcel.

Mr. STEENERSON. I could not state just now, but I believe that there is great complaint on the part of the railroad companies. How justifiable it is I do not know.

Mr. McKENZIE. Is it not a fact that no steps have been taken to pay the railroad companies, or they have not been paid for the carrying of this matter?

Mr. STEENERSON. I think there is a provision in the pending appropriation bill to pay them by an extra appropriation, and that should be taken out of the fund that the gentleman from Missouri [Mr. LLOYD] claims is a surplus, because they have not paid for the services rendered in the last year.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HINEBAUGH. I yield the gentleman 10 minutes additional.

Mr. McKENZIE. Will the gentleman yield for another question?

Mr. STEENERSON. I will.

Mr. McKENZIE. If the Postmaster General made arbitrary ruling in increasing the size of the parcels and compelling the railroad companies to carry those parcels, it would naturally result in an increase of business?

Mr. STEENERSON. Certainly.

Mr. McKENZIE. From which the department is going to profit. Now, if they are not paying the railroads for the service in carrying all this, is it not an unfair proposition to credit the department with an increase while they are compelling the railroads to render service for nothing?

Mr. STEENERSON. That is exactly true. That was the reason why I stated, in answer to the gentleman from Missouri [Mr. LLOYD], that the alleged surplus of last year is largely fictitious, because they had not paid their debts. [Applause on the Republican side.]

Mr. LLOYD. Will the gentleman yield?

Mr. STEENERSON. I will.

Mr. LLOYD. There have been two weightings since the parcel-post law went into effect, and under the law now one-half of the country is receiving its full compensation for every pound of parcel-post matter that is carried.

Mr. STEENERSON. Well, I do not see how that can possibly be correct, because it is not four years since the order increased the weight of the parcel post.

Mr. LLOYD. The gentleman is aware of the fact the country is divided into four sections—

Mr. STEENERSON. Yes.

Mr. LLOYD. One of the four to be weighed each year, so that at the present time the law carries full compensation for two sections.

Mr. STEENERSON. How long ago was it since the last increase of weight?

Mr. LLOYD. Let me finish this. It is also true in the last appropriation bill last year we provided for an increase of 5 per cent on account of the parcel-post matter that—

Mr. STEENERSON. But how long ago was it since the last increase in the size of the package was made?

Mr. LLOYD. That was made nearly a year ago.

Mr. STEENERSON. Nearly a year ago. How, then, can there have been two weighings since that time, when you say they are quadrennial weighings, with one weighing in each section each year, and therefore it will take two years before you could get two sections weighed?

Mr. LLOYD. There has been one weighing since the increase to 20 pounds; there have been two weighings since the increase to 11 pounds.

Mr. LEWIS of Maryland. Will the gentleman yield?

Mr. STEENERSON. Let me finish this. It is a bigger jump from 11 pounds to 50 than from 4 to 11, and consequently the weight of the mail has enormously increased by the latter change, which is not accounted for by the weighing; and I do not believe any living man—not even the experts—can tell anything approximately as to the increased volume of the weight of mail, which necessarily involves an increased pay to the railroads, because they are paid by the pound per mile.

Mr. LEWIS of Maryland. Will the gentleman yield at that point?

Mr. STEENERSON. I want to finish my sentence, if the gentleman will permit. They receive as much pay for carrying a pound of goods, whether it is flour or cheap merchandise, as letters. I was told the other day by an official of the Government that the Commissioner of Indian Affairs, to save appropriations made for his bureau, had shipped flour in 48-pound sacks to the Indian reservations in different parts of the country by parcel post.

Mr. LLOYD. Will the gentleman yield? The gentleman does not want to be understood as saying they receive the same compensation to-day for carrying a parcel as they do for carrying a letter. The gentleman has evidently made a mistake.

Mr. STEENERSON. I certainly mean to say that the railway-mail pay is based on the per ton per mile or the per pound per mile, and it does not make any difference whether that pound is made up of letters or flour.

Mr. LLOYD. That is the railroad companies.

Mr. STEENERSON. The railroad companies—that is what I am talking about. The gentleman is mistaken.

Mr. LLOYD. I beg the gentleman's pardon.

Mr. STEENERSON. The gentleman has gone astray. [Laughter on the Republican side.] Now, when you increase that kind of matter upon which the revenue, the postage, is very small, you do not increase the income of the Government but very little, but you increase enormously the expenditure of the Government, because you have got to pay the old rate, the same per pound per mile rate you always have paid. Now, you have hitherto been unable to change the railway-mail pay; of course, I am not going to enter into that discussion, but if you are going to make the Post Office Department show anything near a self-sustaining basis, you will have to change it or discontinue that heavy traffic—

Mr. LEWIS of Maryland. Now, will the gentleman yield?

Mr. STEENERSON (continuing). Because they can not continue to lay the blame on the European war. Yes; I will now yield to the gentleman—for a question.

Mr. LEWIS of Maryland. Well, I am asking a question. Does not the gentleman know that we are paying for the movement of parcels at the rate of 10 cents per ton per mile to the railroads when the express companies are paying at the rate of 5 cents per ton per mile or less on the average? That wherever we pay we have to pay twice as much as the express companies.

Mr. STEENERSON. There is no doubt. I will take the gentleman's word for it, and that shows why we are doing an unprofitable business when we are shipping flour and brick around the country by mail.

Mr. LEWIS of Maryland. Another question.

Mr. STEENERSON. The gentleman will please excuse me. That shows why there is such anxiety on the part of this administration to change the basis of railway mail pay, because they know they are getting into a hole, and they come up here through the leader of the majority and threaten us with a \$14,000,000 deficit because of the foreign mail, when, as a matter of fact, the foreign mail has fallen off but very slightly.

Mr. LEWIS of Maryland. Will the gentleman yield further?

Mr. STEENERSON. For a question.

Mr. LEWIS of Maryland. Is it not a fact that the parcel-post rates are made upon bases which include full payment for railways and all the expenses of the service, besides a margin of over 10 per cent for profit? Is not that a fact?

Mr. STEENERSON. I do not know anything about it. The gentleman is supposed to be the legal adviser in parcel-post matters, and there has been some blundering at work or we would not be in the boat we are. So I am willing to give him credit for it. [Applause on the Republican side.]

I have no doubt some theorists have been at work, and in order to get out of the trouble they will again bring up that awful goat with the long beard and lay all their sins upon it. But I want the American people to understand that you can not play that game twice in the same evening. [Applause on the Republican side.]

I insert the letter of the Second Assistant Postmaster General as to the falling off in volume of transatlantic mail. Also an editorial from this morning's Washington Post, and an editorial sent to me commenting on my former speech from the Portland Oregonian, one of the ablest papers in the country.

POST OFFICE DEPARTMENT,
SECOND ASSISTANT POSTMASTER GENERAL,
Washington, February 18, 1915.

HON. HALVOR STEENERSON,
House of Representatives, Washington, D. C.

MY DEAR SIR: In compliance with your request of yesterday by telephone, I have the honor to inform you that it is estimated that the weight of all mail matter included in the regular mails from the United States for transatlantic destinations dispatched during the months of July to December, 1913, inclusive, was 6,663,624 pounds, and for the same months of 1914, 5,186,480 pounds.

Yours, very truly,

JOSEPH STEWART,
Second Assistant Postmaster General.

Editorial in the Portland Oregonian of January 24, 1915, commenting upon the speech of Representative STEENERSON, of Minnesota, in the House of Representatives on December 31, 1914:

DEFICIT DUE TO BLUNDERS.

In a plain recital of facts Representative STEENERSON disposed of the fiction that the war is responsible for the decrease in revenue and in the Treasury balance. He showed that the cause has been Democratic blunders in overestimating income and in underestimating expenses.

In his final speech on the tariff bill on September 30, 1913, Representative UNDERWOOD estimated customs revenue for the fiscal year 1915 at \$249,000,000, revenue from the income and corporation tax at \$122,000,000, and total revenue at \$1,026,000,000, while he estimated expenditures for that year at \$1,008,000,000, leaving a surplus of \$18,000,000.

President Wilson has attributed the deficit in revenue to a falling off in imports and, consequently, in customs revenue due to the war, but Mr. STEENERSON showed that the actual revenue from that source for 11 months of 1914, with an estimate for December added, fell short of Mr. UNDERWOOD's estimate by only between \$5,000,000 and \$6,000,000. Had Mr. UNDERWOOD's other estimates proved correct, there would still have been a surplus of more than \$12,000,000, and no deficit taxes would have been necessary. But revenue from income and corporation taxes fell short of the Underwood estimate \$51,000,000, while appropriations for the fiscal year 1915 reached a total of \$1,094,168,102 instead of \$1,008,000,000.

Thus total revenue fell short of the estimate by more than \$57,000,000, and total expenditures exceeded the estimate by more than \$86,000,000. This explains the decrease in the Treasury balance from \$144,000,000 to a little more than \$68,000,000. Had the much maligned Payne tariff remained in operation, it would have produced more than enough additional revenue to offset the deficiency from income and corporation tax, for it produced in excess of \$311,000,000 in the fiscal year 1912, or \$68,000,000 more than the Underwood tariff produced in the calendar year 1914.

Indisputable figures prove that the Democrats fall short \$57,000,000 of making the tariff produce enough revenue to meet the expenses of the Government under what they term Republican extravagance. They fall short \$125,000,000 of meeting expenses under Democratic extravagance. They always promise a tariff for revenue only, but their tariffs never produce enough revenue. They always promise economy, but they always practice extravagance.

SOUNDING THE CALL.

Almost coincident with the official announcement that the administration does not recognize any harm done by the tariff to business, and that there will be no tariff relief so long as the present administration remains in power, there comes a call for action from New York and Pennsylvania.

The Pennsylvania House of Representatives has just passed a resolution calling upon Congress to repeal the present Democratic tariff act, and attributing to this legislation the business and industrial hardships which have thrown hundreds of thousands of men and women out of employment. It is proposed that the legislatures of other industrial States shall take similar action.

In New York the Republican Club, which is one of the largest political organizations, has adopted the following resolution:

"We are uncompromisingly in favor of the American system of protection, and we protest against its destruction by the existing tariff law. This law serves the interests of foreign nations; we support the interests of the United States of America. We accept the issue thus made and we confidently appeal to the people for their judgment. The protective system must be restored and maintained. Its abandonment has always been followed by general disaster to all interests. We denounce the existing law as destructive to general business, to labor, and to the farming interests of the country. We heartily indorse the patriotic efforts of Republican United States Senators and Representatives in Congress looking toward a repeal of the existing low tariff law and the enactment of a protective tariff that shall restore to American labor and industry their full rights in the American market."

By standing pat on the existing tariff law the Democrats have made the tariff issue inevitable in the next campaign. While it is true that the stoppage of some of the imports, due to the European war, has been equivalent to a protective tariff, except in the raising of revenue, the greater danger of the present low tariff will be encountered after the present war is over.

If industries have been harmed by the tariff under present conditions, what may be expected when the war ends and millions of workers now on the field of battle return to the mills and factories to work at wages that will be lower than ever before in the history of Europe? They will be willing to work for anything. The United States, under the present tariff, would have no protection against cheap labor competition.

No wonder the call to arms is being sounded by the Republicans. The tariff battle is beginning early, but this is because the tariff has become an issue which even the man in the street understands.

Monthly summary of foreign commerce of the United States, December, 1914.

SUMMARY OF IMPORTS AND EXPORTS.

[Figures in all statements for December, 1914, and for 12 months ending December, 1914, subject to revision.]

| Groups. | December— | | | | 12 months ending December— | | | | | |
|--|---------------|---------|--------------|---------|----------------------------|---------|---------------|---------|-----------------|---------|
| | 1913 | | 1914 | | 1912 | | 1913 | | 1914 | |
| | | Per ct. | | Per ct. | | Per ct. | | Per ct. | | Per ct. |
| IMPORTS. | | | | | | | | | | |
| Total free of duty..... | \$117,547,218 | 100.00 | \$69,444,579 | 100.00 | \$992,343,921 | 100.00 | \$991,850,747 | 100.00 | \$1,097,937,712 | 100.00 |
| Total dutiable..... | 66,478,353 | 100.00 | 45,211,966 | 100.00 | 825,729,134 | 100.00 | 800,745,733 | 100.00 | 691,318,289 | 100.00 |
| Free and dutiable: | | | | | | | | | | |
| Crude materials for use in manufacturing..... | 62,463,050 | 33.95 | 34,189,042 | 29.82 | 633,833,071 | 34.86 | 604,962,567 | 33.75 | 597,920,626 | 33.42 |
| Foodstuffs in crude condition, and food animals..... | 29,916,427 | 16.25 | 17,954,204 | 15.65 | 237,127,581 | 13.04 | 220,784,999 | 12.32 | 234,725,244 | 13.12 |
| Foodstuffs partly or wholly manufactured..... | 16,769,368 | 9.11 | 16,394,017 | 14.30 | 206,134,481 | 11.34 | 198,352,663 | 11.06 | 256,483,300 | 14.33 |
| Manufactures for further use in manufacturing..... | 28,268,135 | 15.36 | 15,746,405 | 13.74 | 320,283,741 | 17.62 | 340,250,218 | 18.98 | 275,585,099 | 15.40 |
| Manufactures ready for consumption..... | 44,616,400 | 24.25 | 28,422,282 | 24.79 | 404,051,842 | 22.22 | 413,430,318 | 23.06 | 407,047,570 | 22.75 |
| Miscellaneous..... | 1,992,191 | 1.08 | 1,950,595 | 1.70 | 16,641,739 | .92 | 14,806,715 | .83 | 17,514,162 | .98 |
| Total imports of merchandise..... | 184,025,571 | 100.00 | 114,656,545 | 100.00 | 1,818,073,055 | 100.00 | 1,792,596,480 | 100.00 | 1,789,276,001 | 100.00 |
| Per cent of free..... | | 63.88 | | 60.57 | | 54.58 | | 55.34 | | 61.36 |
| Duties collected from customs..... | 21,510,140 | | 14,890,982 | | 326,339,620 | | 310,551,961 | | 241,384,619 | |
| Average ad valorem rate of duty, based on total imports for consumption..... | | 11.06 | | 13.18 | | 18.14 | | 17.49 | | 13.62 |
| Remaining in warehouse at the end of the month..... | 75,370,421 | | 80,666,132 | | | | | | | |

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. LINTHICUM having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Tulley, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 7515. An act to reserve lands to the Territory of Alaska for educational uses, and for other purposes; and

S. 7188. An act to increase the limit of cost of the United States post-office building at Garden City, Kans.

PENSION APPROPRIATION BILL.

The committee resumed its session.

By unanimous consent, Mr. KELLY of Pennsylvania, Mr. STEENBERSON, Mr. SWITZER, and Mr. BRYAN were granted leave to extend their remarks in the RECORD.

Mr. BARTLETT. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. TAVENNER].

Mr. TAVENNER. Mr. Chairman, in some remarks I placed in the RECORD on February 15 I called attention to the fact that four firms, which constitute the War Trust in this country, have drawn down \$175,000,000 worth of contracts from the Government for munitions of war, and that Army and Navy officers have permitted these four concerns to outrageously overcharge the Government for these supplies. I called attention to the fact that Gen. Crozier, the present Chief of Ordnance, who does the buying of these supplies for the Ordnance Department of the Army, was formerly in partnership with the Bethlehem Steel Co.; that he was in partnership with them on the day that he was made Chief of Ordnance; and that ever since he has been Chief of Ordnance he has been awarding that concern contracts running into the millions of dollars annually and has been paying that concern from 20 to 60 per cent more than those millions of dollars worth of supplies could have been manufactured for in the Government arsenals.

My attention has been directed to an answer by Gen. Crozier to the charges which I have made, and in fairness to Gen. Crozier and in order that his views may be in the RECORD, as mine have been placed in the RECORD, and since he states that he is contemplating asking for an investigation, I send the following clipping from the Chicago Tribune to the Clerk and ask that it be read in my time. My only purpose in rising was to put his answer in the RECORD so that it may be compared with the specific statements that I put in the RECORD.

The CHAIRMAN. The Clerk will read the article.

The Clerk read as follows:

[From the Chicago Tribune, Wednesday, Feb. 17, 1915.]

GRAFT CHARGES STIR UP CROZIER—ORDNANCE CHIEF ASKS INVESTIGATION OF ACCUSATION MADE BY TAVENNER.

WASHINGTON, D. C., February 16.

[Special.]—Gen. William Crozier, Chief of Ordnance, contemplates demanding an investigation, either by the Secretary of War or by Congress, of the charges involving his reputation which were made in the House yesterday by Representative TAVENNER of Illinois.

Mr. TAVENNER charged that a ring of war-munitions manufacturers is raking off \$7,000,000 in exorbitant and illegitimate profits, and that Gen. Crozier, Gen. Humphreys, and other Army and Navy officers are closely connected with these concerns.

Friends of Gen. Crozier in the House are preparing to present his defense, either in a reply to TAVENNER or in a demand for a congressional investigation.

ROORBACK, REPLY TO TAVENNER.

It will be alleged that TAVENNER is disgruntled because of the action of Gen. Crozier in introducing some of the Taylor-system methods into the Rock Island (Ill.) Arsenal, which is situated in the TAVENNER district.

On behalf of Gen. Crozier it is asserted that he never has allowed his former relations with the Bethlehem Iron (now steel) Co. to influence him in passing on questions affecting war-munitions contracts awarded to this or any allied concern. He had a half interest in the patent on the Crozier disappearing gun carriage, which was sold to the Bethlehem company for \$10,000 and royalties on foreign orders. He relinquished his interest after he was appointed Chief of Ordnance and never realized from the patent more than \$5,000, inasmuch as no foreign orders were received.

Mr. MOORE. Mr. Chairman—

Mr. TAVENNER. Mr. Chairman, I have the floor. I do not yield to the gentleman now.

Mr. MOORE. I ask whether the gentleman will yield or whether he insists on this alleged statement of Gen. Crozier being read at this time in full. It is not a statement of Gen. Crozier—

The CHAIRMAN. The gentleman from Illinois has the floor, and he declines to yield. The Clerk will read.

The Clerk read as follows:

FORCES CUT IN MUNITIONS.

That there was any impropriety in selling the carriage to foreign Governments is denied on the ground that any engineer could duplicate it from the existing photographs. Gen. Crozier also had a patent on a wire gun, which he relinquished to the United States Government voluntarily without compensation.

Gen. Crozier admits that the manufacturers of war munitions have extorted unreasonable prices from the Government.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORE. Mr. Chairman—

Mr. BARTLETT. Mr. Chairman, I yield time enough to the gentleman from Illinois [Mr. TAVENNER], in order that the Clerk may read the balance of the article.

Mr. MOORE. Mr. Chairman—

Mr. COOPER. Regular order, Mr. Chairman.

The CHAIRMAN. How much time does the gentleman yield?

Mr. BARTLETT. Time enough for the Clerk to read the balance of the article.

The CHAIRMAN. The Chair does not know how much time that is.

Mr. MOORE. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. MOORE. What is the motion before the House?

The CHAIRMAN. The Chair does not understand the gentleman.

Mr. MOORE. What is the motion before the House?

The CHAIRMAN. There is no motion before the House.

Mr. MOORE. Under what rule are we proceeding?

The CHAIRMAN. We are proceeding under the agreement for general debate.

Mr. MOORE. I ask if there will be an opportunity for anyone to make a statement with regard to this publication?

The CHAIRMAN. Not unless you get time from gentlemen who have control of the time.

Mr. BARTLETT. I insist that the gentleman can not stop debate.

Mr. MOORE. A parliamentary inquiry, Mr. Chairman.

Mr. COOPER. Regular order, Mr. Chairman.

Mr. MOORE. A parliamentary inquiry, Mr. Chairman.

Mr. BARTLETT. Mr. Chairman, I make the point of order that the gentleman from Pennsylvania can not make a parliamentary inquiry while the gentleman from Illinois has the floor without his consent.

The CHAIRMAN. The Chair has just announced that the time of the gentleman has expired.

Mr. BARTLETT. I have control of the time, and I have yielded to the gentleman from Illinois.

Mr. MOORE. I beg the gentleman's pardon. The Chair has announced that the time of the gentleman has expired. I make the point that the gentleman from Illinois has no time—

The CHAIRMAN. The gentleman from Georgia has yielded to the gentleman from Illinois sufficient time in which to finish the reading of the article. The Clerk will continue the reading of the article.

The Clerk read as follows:

He contends, however, that he has introduced Government manufacture of many classes of arms into the arsenals and by that competition forced the private manufacturers to reduce their prices.

Mr. MOORE. Now, Mr. Chairman—

Mr. BARTLETT. Mr. Chairman, I yield 15 minutes to the gentleman from Missouri [Mr. BORLAND], a member of the committee.

The CHAIRMAN. The gentleman from Missouri [Mr. BORLAND] is recognized for 15 minutes.

Mr. MOORE. Mr. Chairman—

Mr. COOPER. Regular order, Mr. Chairman—

Mr. MOORE. Would it be in order at the present time to ask unanimous consent?

Mr. FOSTER. The gentleman has no right to interrupt the regular order.

Mr. MOORE. I have made a parliamentary inquiry.

Mr. FOSTER. The gentleman is not in order in doing it.

Mr. MOORE. The gentleman from Illinois [Mr. TAVENNER] is setting up a man of straw. He is attacking a man who is not here.

Mr. TAVENNER. Gen. Crozier is represented here and so is the Steel Trust.

Mr. MOORE. The gentleman is representing what is not true. The gentleman is setting up a bugaboo.

Mr. BARTLETT. Mr. Chairman, I call the gentleman from Pennsylvania to order.

Mr. MOORE. Mr. Chairman, a parliamentary inquiry.

Mr. FOSTER. Mr. Chairman, the gentleman has no right to make that parliamentary inquiry.

Mr. MOORE. I ask if I was called to order; if I was violating the rules of the House?

Mr. GORDON. Of course you were. You have no brief from Crozier, have you?

The CHAIRMAN. The committee will be in order.

Mr. BORLAND. I am entitled to the floor, I believe, Mr. Chairman.

Mr. BARTLETT. Mr. Chairman, I call the gentleman from Pennsylvania to order.

Mr. MOORE. I am very glad to be called to order, because I am acting in the cause of justice and fair play. But go ahead and gag. That is the way to do it.

Mr. FOSTER. If the gentleman wants to defend the Steel Trust, let him take his time.

Mr. MOORE. You have the power. You put things in the RECORD. Go ahead and encourage the gag. Do it brutally. Go ahead; I defy you.

Mr. BARTLETT. Mr. Chairman, I call the gentleman to order.

Mr. MOORE. I am willing to be called to order.

Mr. BARTLETT. The gentleman is violating all orderly rules of parliamentary conduct.

The CHAIRMAN. The gentleman from Missouri [Mr. BORLAND] will proceed.

Mr. GORDON. Are you Crozier's attorney? Why are you acting in this way?

The CHAIRMAN. The committee will be in order.

Mr. GORDON. I think that is outrageous on the part of a man who has been a Member of this House as long as the gentleman. It is an insult to the House.

Mr. MOORE. That is an insult to an individual.

The CHAIRMAN. The committee will be in order. The gentleman from Pennsylvania will be seated.

Mr. MOORE. Very well; I respect the Chair and will take my seat.

Mr. BORLAND. Mr. Chairman, when I rose I was about to remark that I would yield to the gentleman from Pennsylvania [Mr. MOORE] to make a request for unanimous consent to extend his remarks in the RECORD—

Mr. MOORE. I do not care to do that. The time to do that is right now.

Mr. BORLAND. But I soon saw that the gentleman did not want to do that, but wanted to inject into the RECORD something that the rules of the House would not permit him to put into the RECORD, and at that point I withdrew or abandoned my intention to yield to the gentleman. When the proper time comes, he can defend the Steel Trust or anybody else.

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

The CHAIRMAN. Does the gentleman from Missouri yield to the gentleman from Pennsylvania?

Mr. BORLAND. No. The gentleman can reply in his own time.

Mr. MOORE. I do not care to.

Mr. BORLAND. Now I want to discuss two phases of this pension appropriation bill, which is supposed to be under debate in this House. It is always a matter of surprise to the American people to learn the amount that is paid out by this Government for pensions 50 years after the close of the Civil War. But there are more surprises than that in the pension law. I find that there is scarcely an American citizen anywhere who understands that the Government is to-day paying more than a million dollars to nonresident foreigners under the operation of the present pension laws.

Away back in 1893 an attempt was made to correct this evil, and a report at that time shows that about 3,000 foreigners were drawing pensions under the Federal pension laws, and that the amount paid them was between \$350,000 and \$400,000. To-day more than 5,000 persons who are nonresident foreigners are drawing pensions, and the amount paid them is over a million dollars.

Now, the only justification that ever was given for this payment of foreign pensions was that a few men might have come to this country from foreign countries and lost their lives here and left dependent widows or children or mothers in the old country. But if any men lost their lives 50 years ago under the American flag and left dependent widows or mothers in the old country, the number of such dependents would decrease rapidly in the generation following the Civil War. The explanation of the fact that the amount has increased rapidly and steadily is that men who are drawing pensions have expatriated themselves and have become citizens or subjects of other countries.

Now, in fact, that is the case. We are sending abroad to-day a million dollars of American money, and we are doing what no other nation ever did, and, I undertake to say, what no other nation ever will do, namely, continuing the payment of pensions to men who are no longer citizens of the country they served. Twenty-six hundred of these men live in Canada; about 500 of them live in Germany; some 900 of them live in the British Isles. This country could not become involved in a war with any country on earth without seeing its own money and sometimes the men who draw its own money opposing it in that contest. No nation ever did that.

I purpose and reserve the right to offer to this pension appropriation bill when it reaches the amendment stage an amendment forbidding the payment of pensions to nonresident foreigners, except for disabilities contracted in the service. Gentlemen will recognize that we have a dual system of pensions in this country, which differs from the pension systems of

other countries. All countries pay pensions. All countries pay pensions on the basis of disabilities contracted in the service, and that is the true basis for pensions. Any man who entered the service of his country and suffered a permanent disability thereby has a claim upon the gratitude of his fellow citizens as long as he or those dependent upon him live. But we entered upon a much wider field than that. We entered upon what no nation has ever done—an old-age pension, limited to those who appeared upon certain muster rolls, and under that old-age pension system the number of foreigners drawing pensions has almost doubled.

Now, if we are going to pay old-age pensions, I do not see any legitimate reason why we should not pay them to the man who served his country by pushing the plow and to the man who served his country by laying brick and to the man who in an engine cab served his country by driving an engine and who has done it efficiently and honestly for 40 or 50 years. I do not see why an old-age pension is not coming to the man who builds up his country in time of peace, if it is purely a question of old-age pensions. But we have limited these old-age pensions to a certain class of our citizens, and, under that system, the most liberal proposition that any nation ever advanced, we still continue to extend an old-age pension to men who are not citizens of the United States.

It was objected when this matter was up in the Sixty-second Congress that the old soldier must have some advocates on this floor; in other words, politics—partisan politics—demanded that no possible reduction or correction be made, even of the most flagrant evils in the pension laws, for fear that the sensibilities of the old soldiers might be hurt.

Now, let us consider what the old soldiers themselves think about this thing. You will not find an old soldier in your district who will justify the payment of pensions to men who have renounced and abandoned the flag under which they fought. The man who is to-day the Commissioner of Pensions of this Government is an old soldier, and a good one, and he recommends that the payment of pensions to nonresident foreigners cease. Here is what he says about it:

Mr. DAVIS. I would like to ask a formal question, and I do not ask the commissioner to answer it if he does not desire to do so: In your judgment, Mr. Commissioner, is it proper for a man who rendered service in the Civil War or any other military service for the United States Government, and who because of that service was placed upon the pension roll, to be deprived of that pension because of the fact that subsequently he declared his allegiance to some other country than the United States? In your opinion, Mr. Commissioner, should or should not that fact bar him from receiving the pension that he obtained as a service pension because of his service to the United States? You need not answer that question if you prefer not to do so.

Mr. SALTZGABER. I have an opinion on the subject, and it is this: I am so thoroughly American that I believe that a man who abjures his allegiance to this country ought not to receive any reward from it.

Mr. DONOHUE. Will the gentleman yield?

Mr. BORLAND. Yes.

Mr. DONOHUE. The gentleman of course knows that it does not follow that because a man has decided to reside abroad he has renounced his allegiance to the United States.

Mr. BARTLETT. This does not affect him, then?

Mr. BORLAND. The gentleman will see very readily that this would not affect Americans temporarily abroad for business, or official positions, or anything else. It is confined to men who are not Americans and possibly never were.

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

Mr. BORLAND. Yes.

Mr. GOULDEN. Has the gentleman any information as to how many of these 5,000 men have renounced their allegiance to this Government? To that extent I agree with him. No pensioner who has expatriated himself and is not crippled or in bad health from service origin should be carried on the rolls.

Mr. BORLAND. The greater part of the 5,000 have renounced their allegiance. The commissioner said in answer to a question in a former hearing that those who were abroad for business or pleasure or as foreign representatives of American houses, or as American consular representatives were a very trifling number.

Mr. BARTLETT. About 30.

Mr. GOULDEN. How many are living in Canada? Of course the gentleman knows that a large number of our citizens have gone to Canada, and I want to know if they have renounced their citizenship.

Mr. BORLAND. The greater part of them have become Canadian citizens.

Mr. BARTLETT. May I suggest that most of those who came to this country from Canada at the time of the war and fought in the Federal Army have gone back to Canada and taken up lands there.

Mr. BORLAND. Under the homestead laws of Canada they had to renounce their allegiance to this Government.

Mr. SHERWOOD. I propose to support the gentleman's amendment. I think it is on the right line. Heretofore that amendment has not included men who were disabled in the service. The gentleman's amendment does. So there can be no possible injustice to any pensioner—any soldier who served during the war. Now, I understand that a great majority of the Canadian soldiers who were with us in 1861–1865 have sworn allegiance to the British Government. Those men are drawing pensions. In case of a war with Great Britain we would have men fighting against us who were pensioners under the United States.

Mr. BORLAND. I am very glad to have this statement from Gen. SHERWOOD, the man who occupies the honored position in this House of being the only general officer on the Union side in that great struggle who is now a Member of Congress and who represents as thoroughly as any man can the feelings and sentiments and patriotic views of the American soldier. He says that this amendment so limited is an absolute justice to the American pensioner.

Mr. DONOHUE. How would the gentleman feel toward a man who rendered military service here, became a citizen, resided here for 8 or 10 years after the close of the war, went back to Germany, and has never renounced his American citizenship?

Mr. BORLAND. He would not be affected by this.

Now, there is another matter I want to speak of in the brief time I intend to hold the attention of the House, which has always seemed to me to be a gross evil in the pension laws, but which has never seemed to other gentlemen to be as clear an injustice as it has seemed to me. I purpose to offer another amendment providing that no part of the pension appropriation shall be paid to any person who is drawing salary or emoluments of any kind from the Federal Government in excess of \$1,000. [Applause.] I place the amount at \$1,000 because I believe a man who is drawing \$1,000 or over from the Federal Government is doing it on the theory that he is performing a man's full work and that his disabilities, if any, contracted in the service have not decreased his earning power. If a man who was in that great struggle is to-day alive and able to hold a full-salaried position, he is fortunate beyond the average run of mankind.

But the worst evil is simply this: The men who are the beneficiaries of this system do not want any investigation made as to how many men are drawing emoluments from this Government. I know a case—I will not call the name because I do not care to be invidious in a public speech—where a man is drawing a pension as an officer of the Federal Army and is drawing \$6,000 a year from the Federal Government as a retired United States judge and \$7,500 as a Member of the great legislative body of the Nation. He is drawing three separate salaries or emoluments from the Federal Government. I know of another case where a man is drawing \$6,000 a year as a retired Federal judge, \$50 a month as a pension, and is engaged in the practice of law, representing large railroad and corporate interests. Those are the men who will resist with all the force of which they are capable, even the proposition to investigate into this thing. I believe that there are approximately 3,000 to 5,000 men, at least 3,000, upon the pay rolls of the Federal Government under one guise or another, many of them as retired Federal judges and other officials of that kind, who are drawing pensions. These men have enjoyed, to a large extent, the rewards and profits of their military service and their military renown, and they are drawing pensions which are needed in many cases by many men who have been less fortunate.

Mr. ANDERSON. Does the gentleman make any distinction between a soldier who is drawing a pension for a disability incurred in the service and one who is drawing a pension merely on account of age and service?

Mr. BORLAND. The distinction could be made easily. The surprising thing about the American people is this: We are spending to-day nearly twice as much for the pension roll as we are for the maintenance of a standing army in a nation of 100,000,000 people. That is 50 years after the close of the war. The people are going to demand that we spend a little more for national protection and a little less for partisan politics. Gentlemen will not dodge that issue when the people begin to wonder where their money has gone that has been spent under the guise of military armament when they find that we have not the national protection for the money expended.

To-day, 50 years after the war, nearly twice as much is spent for pensions as is spent for military purposes. If the pensions we are paying would guarantee the safety of the Nation, we would be the best-protected Nation under the sun; but nobody believe that it does. It has dwindled down into an old-age pension, possibly deserved in most cases; but I would like

to have it expended in all cases for those who deserve it, and to cut out men who are getting \$6,000 as retired Federal judges, and cut off the men that have renounced and abandoned the country that pays them the pension. [Applause.]

Mr. BARTLETT. Mr. Chairman, I yield five minutes to the gentleman from Arkansas [Mr. WINGO].

Mr. WINGO. Mr. Chairman, we are now considering the annual appropriation bill, making appropriations to pay the pension roll to the extent of \$165,000,000. That does not cover all of the actual pensions that the Federal Government pays; it does not cover \$43,500 that is spent down in the Arkansas national forests in the way of pensions under the pretense of salaries for men engaged in conservation.

In that connection I want to call attention to a letter published in the Danville Democrat, Danville, Ark., an excellent newspaper, which was received by me this morning. The editor of the paper refers to the writer of the letter as follows:

The writer of the above article is a college man, a young man, and with his wife and babies lives on a homestead in Yell County, and knows the conditions of which he writes.

In other words, this is a letter from a college-bred man, of a man who has gone into that country, entered a homestead on the identical lands which certain gentlemen claim are not fit for agricultural purposes, has made him a good home, and who knows something about the conditions that exist there, and certainly has the knowledge and ability to discuss the things considered in that letter. I shall not take time to read the letter at length, but I will ask unanimous consent to print the newspaper clipping in the RECORD.

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent to extend his remarks by printing the matter indicated in the RECORD. Is there objection?

There was no objection.

The matter referred to above is as follows:

FOREST RESERVE SHOULD BE ABOLISHED—A HOMESTEADER 30 MILES FROM THE RAILROAD IN YELL COUNTY SAYS ALL OF THE GOVERNMENT LAND COULD BE MADE A GOOD HOME FOR SETTLERS—READ HIS LETTER.

BLUFFTON, ARK., January 29, 1915.

Mr. T. L. POUND,
Danville, Ark.

MY DEAR SIR: Facts and figures proven by carefully kept books on my homestead for the past three years show that even the roughest land is worth taking, and a very little capital is necessary to keep a farmer going here till his land properly handled will.

Let us compare the tenant farmer and homesteader. The tenant gives one-third to one-fourth of his profitable time to his landlord. He is busy producing, harvesting, and marketing his crop but about three-fourths of his time, and he is fortunate, indeed, if he makes expenses during the rest of the time. Therefore the tenant farmer gives away or loses at least 5½ months or 143 working days each year and wonders why he does not get anything ahead. But if a man in any other business lost 143 days annually from office or shop, how soon would he be bankrupt? Is it any wonder "landlordism and the tenant farmer" ruined Ireland, caused the Mexican revolution, and is the greatest problem before the United States to-day?

Now for the homesteader on a hilly, rocky tract of land "away back in the sticks." His cash investment is practically nothing, and in this is the only likeness to the tenant farmer, for the average 40 acres here has 200,000 feet in pine alone, enough for house, barn, and fence. The same 40 acres produces enough grass for a team of horses and several cows, enough mast-bearing trees to produce 1,000 pounds of pork three years out of five, enough berries and wild fruit for an ordinary family, and has enough table-land with a clay subsoil so that two or more 5 to 10 acre fields can be tilled. Now, let the homesteader give 143 days each year to clearing land, building, hauling rock, filling low places with brush and rock, hauling leaves and wash to the hill-tops where the soil is light, and in a few years he has a valuable farm, and has produced a good living also if he has planted the crops to supply his table and feed his stock and the big cotton raiser in the bottom lands.

This is no idle dream, but a fact proven by my books and the experience of other farmers here.

But our homestead land is practically all taken. Yes! but our national forest is made up of exactly the same kind of land my neighbors and I have been fortunate enough to get. Room for thousands of farms; for good, industrious, homeless families who, wasting 143 days each annually instead of using this time to improve their part of our great State and Nation, is being held in idleness, and why? Not because a Government of the people, for the people, and by the people wish to conserve our resources instead of developing them, but because the organization controlling our national forest is such that political jobs are in the balance and the question is not conserve or develop, but of keep or lose the job, and the forester is human like you and I, and like you and I, has a family to support; and, like you and I, if he does not look out for his business nobody will. As an example, take the following incident to which I can and will if necessary make oath. My friend Mr. X, wishing to homestead a very good agricultural tract in the national forest, made application for same. His case was referred to the local forest ranger, Mr. Y, also my personal friend. Mr. Y spent perhaps two hours in his investigation in which he never saw the land Mr. X wanted, and reported that he had failed to find level land enough for a building site. Consequently, Mr. X and his large family lost no less than 400 valuable days last year, will lose as much or more this year, and the land which should now be a good farm producing a good living for X and his family is being carefully conserved as a national reserve by the forest organization, because Mr. Y knew if Mr. X made a success in a part of the forest Mr. Z would in another part, and so on, till soon Mr. Y would have no forest to supply him a job, and do you blame Mr. Y? I do not, but Mr. Y should not be the man to decide whether Mr. X could make a living on a certain piece of land or not, only Mr. X can do that, and he should have the chance.

Our national forest with all its land and timber is now producing nothing.

Only a few men are benefited by it, and they are paid from other sources, while similar country in France and Germany is producing more than our richest communities. The home is the real basis of a country's wealth, and not the hoarded millions of a few.

Each tenant farmer is losing 143 days annually, which if properly used would in a few years put the territory now held as national forest in Arkansas in a class with the hill country of Virginia, Pennsylvania, or New York State, so far as productiveness goes, and the tenant be glad to use the time he is now wasting to develop the resources of our forest if he was permitted to homestead it. If he is not permitted to homestead this land, what will be done with it? If the Government sells it to individuals or corporations, no matter what amount of cash the Government might get it would lose in the end. Our tenant problem would be increased instead of diminished, because the lumberman would become a landlord and more tenant farmers and farming would be the result.

Then why delay? As a State and Nation we are not producing too much—not producing enough. When we consider that almost half the producers of our land are losing 143 days annually, the move to lessen this terrible waste of time, to lessen the tenant problem, to produce more homes, to raise men's efficiency as producers and citizens, is the move that will produce more and lasting profits for a Government of, for, and by the people than any other, no matter what the cash in the transaction might be. And opening the forest to the homesteader is this one great move.

H. C. SHORT.

Mr. BARTLETT. Mr. Chairman, I yield to the gentleman from Iowa [Mr. KIRKPATRICK].

Mr. KIRKPATRICK. Mr. Chairman, as one of the survivors of the Civil War between the States I simply ask leave to extend my remarks on the subject of the payment of pensions.

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

There was no objection.

Mr. BARTLETT. Mr. Chairman, I now yield to the gentleman from Georgia [Mr. TRIBBLE].

Mr. TRIBBLE. Mr. Speaker, I desire to renew my earnest protest against the proposed national child-labor legislation. The bill proposes to prevent the employment of children under 14 and 16 years of age in mines, quarries, mills, canneries, manufactories, workshops, factories, and mills of all kinds of enterprises. It further proposes to limit the hours of labor per day. Heretofore no one has seriously contended that this question should be taken by the Federal Government from State jurisdiction. I rise for the purpose of requesting the membership of this House to send for the so-called child-labor bill and some time at their leisure read it and study it carefully. This bill was taken up and considered under suspension of rules, which prevented the usual discussion. Only 40 minutes were given to the consideration under a rule, and therefore the membership of the House had no opportunity to give this bill proper consideration. I never heard of this bill until it was up for action. Those opposing the bill had no opportunity to present views in opposition to it on account of the limit of time, and we resorted to the only method we had, and that was to filibuster against the passage of the bill. I have no apologies to make for the part I took in trying to prevent the passage of the bill by filibuster tactics. I consider the bill the most flagrant violation of constitutional rights of any bill that has passed this House since I have been here. It absolutely absorbs all State rights guaranteed by the Constitution and turns over to Federal authorities complete jurisdiction to direct the internal affairs of the States.

Those of you who have been to sawmills and to rock quarries and have heard the familiar call, "water boy," if this bill becomes a law, will hear that call no more. It will be for "water man." Under the provisions of the bill a boy under 16 years of age can not give water to a mule or ox used at a rock quarry or mine. No boy or girl can be employed in any capacity, in any kind of work where peaches, tomatoes, beans, or any agricultural product is being prepared for interstate shipment, because if children are so employed the man who ships the goods produced where the boy who gave water to mule or worked in the cannery will be indicted by the Federal Government. In my State agriculture is being promoted very rapidly through the Agricultural Department, and one of the greatest means of promotion is the canning club.

The school-teachers are organizing associations in every county, and you can read in the agricultural bulletins where little girls 12 and 13 years of age have had tomato patches and have canned their tomatoes in association with others and have shipped them to the State of New York and other places and have received enormous profits, and this method has encouraged others to raise tomatoes. I do not think there is any question but that this bill will prevent little girls or boys under the age of 14 years from associating themselves together with a teacher or any other person for the purpose of raising tomatoes and canning them and shipping them out of the State, because one of the provisions of the bill is about canneries. The defini-

tion in the bill says that a dealer is an individual. A little girl is an individual within the meaning of the bill if she is raising tomatoes. It also uses the phrase "unincorporated association," and these people who are associated together for the purpose of raising and canning tomatoes, peaches, beans, or anything else are an "unincorporated association" of people brought together for the purpose of promoting this industry.

The bill reads as follows:

It shall be unlawful for any producer, manufacturer, or dealer to ship or deliver for shipment in interstate commerce the products of any mine or quarry which have been produced, in whole or in part, by the labor of children under the age of 16 years, or the products of any mill, cannery, workshop, factory, or manufacturing establishment which have been produced, in whole or in part, by the labor of children under the age of 14 years, or by the labor of children between the age of 14 years and 16 years, who work more than eight hours in one day.

The word "dealer" as used in this act shall be construed to include any individual or corporation or the members of any partnership or other unincorporated association.

This bill not only proposes to regulate cotton mills, knitting mills, and all kinds of factories by Federal statute, but it reaches out and takes in farming and mining institutions. The conditions in the New England States are entirely different from conditions in the South. The work done by children of reasonable age in mills, saw mills, cotton gins, canneries, and the various other enterprises of the South should not be prohibited by Federal laws inspired by philanthropists knowing nothing about healthful and honorable employment in the South. It is a very embarrassing situation in which the Democratic Party finds itself advocating this kind of legislation. It has always contended for State rights, and now pretends to believe in State rights. Now the Republican Party can say, "Oh you Democratic Party, what have you done with your States rights Jeffersonian doctrine?"

If this bill becomes a law, the next move will be to prevent the interstate shipping of cotton when children under 16 years of age participate in making or picking the cotton. Those good philanthropists will be here in a few years demanding that the farmer be prevented from employing on his farm boys under 16, and they will tell this Congress about the illiteracy of children that should be in school. Then this so-called humanitarian legislation will be enacted by the Federal Government compelling education of all races and restricting child labor on the farm to 16 years of age. The negro matures rapidly and makes a good farm laborer at 12 years of age. At 15 they are strong men. The whites mature early in the South, and many boys perform a man's labor on the farm before they are 16 years of age, working on the farm and attending school during the school periods.

Mr. Speaker, this bill also launches the eight-hour day law, to be applied by the Federal Government to agricultural enterprises. I knew that agriculture would some day be confronted with the Federal Government fixing the hours of labor and making it a criminal offense to labor over eight hours each day even on the farm, but I did not expect the question to come up so soon. There are seasons when the farmer must work or gather his crops or he will almost lose it. I hope I will never see Congress enact laws prohibiting the shipping of cotton from my State unless the farmer complies with eight or seven hour day regulation of labor, and yet that principle is in this bill. Should a cannery, quarry, mill, factory, saw mill, cotton gin, or any kind of mill enterprise violate the child-labor restrictions or work them over eight hours any day the products of such an enterprise can not be sold out of the State. A severe Federal penalty is provided for both the seller and the purchaser.

Some gentlemen were disposed to criticize me for filibustering against this bill. Permit me to assure you that as long as the people of Georgia keep me here to represent my State and district I shall speak, filibuster, and use all legitimate means to prevent legislation giving the National Government the power of exercising the prerogative of the States in the restriction of labor.

Furthermore, Mr. Speaker, do you propose to exclude the orphan on the humanitarian appeal from honest work and doing honest labor in the industrial pursuits of the farming districts, that they may live honestly and independently?

I thoroughly agree with gentlemen that there should be restriction of child labor in factories. The restriction should be reasonable and humane. What is reasonable and humane is a question for the respective States to solve. There are no doubt abuses; but, Mr. Speaker, we should not trample upon the Constitution to reach abuses the States should correct. Besides, there are some provisions in this bill I can not espouse, even by State enactment.

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

Mr. BARTLETT. I yield further time to the gentleman.

Mr. TRIBBLE. Mr. Chairman, I think that the States only have a right to legislate on this question. It is a question for each State to settle; it is not a Federal question. The States can better solve these industrial questions. I am willing to abide the action of the State of Georgia on these and all other questions delegated to the State by the Constitution, and I think other Members should be willing to abide the action of their States. Several times I have defended the laws of my State on this floor, and no man can assail the laws of my State on this floor unchallenged; and like Ruth said to Naomi, I stand here to-day and say in regard to Georgia, "Whither thou goest I will go; where thou lodgest I will lodge; thy people shall be my people and thy God my God." [Applause.]

Mr. PALMER. Mr. Chairman, I will ask the gentleman from Georgia to yield me five minutes.

Mr. BARTLETT. I have not the time, I am sorry to say to the gentleman.

Mr. PALMER. The gentleman from Georgia [Mr. TRIBBLE] has just been yielded time in which to make an attack on a bill which was passed in this House two or three days ago.

Mr. TRIBBLE. But the gentleman did not give me any chance to oppose it when it was passed.

Mr. PALMER. The gentleman did not use all of the time he had.

Mr. BARTLETT. I have not the time.

Mr. HINEBAUGH. Mr. Chairman, I yield five minutes to the gentleman from Pennsylvania.

Mr. PALMER. Mr. Chairman, I did not expect, of course, to discuss the child-labor question to-day. I did not expect that anybody who was opposed to the bill and who failed to use all of the time which was allotted to those in opposition to the bill when it came up a couple of days ago would find it necessary—

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

Mr. PALMER. Not now—would find it necessary after the bill had passed by a vote of about 6 to 1 discuss the bill and complain of the action of the House. It is true that it was not discussed at any great length in the House, but I doubt if any bill which has been before the House during this session has received more attention from the country, and I doubt if Members have received more communications and information about any bill which has been before the House this session than they have about this child-labor bill. When it came into the House the Members all knew what the bill was. They knew that extensive hearings had been held before the Committee on Labor, that there had been a unanimous report of that committee in favor of the bill, and that the standard fixed by the bill was the same in many respects as had already been adopted in nearly 40 of the States in the Union with which Members here were all very familiar. It is a significant and interesting fact that the only objection to the bill, voiced upon the floor in speech and by vote upon the roll call, came from three or four States in the South which are notoriously lax in child-labor laws, States which have been exploiting the little children for years in order to swell the profits of the manufacturers and employers of labor there. In the other States of the Union, where attention has been given to the matter, Members were familiar with the standard employed, and, in sympathy with the feeling of the people in those States, were unanimously for the bill. I did not consider it necessary that there should be any fuller discussion about a measure on which the feeling of the House is so overwhelmingly in its favor as this child-labor legislation.

Now, the gentleman says it is not fair to a State like Georgia to enforce this kind of a law, and the arguments which he presents are, in fact, a just ground for Federal legislation. It is absolutely necessary in the interest of fairness, because the friends of child-labor legislation have discovered that in every State where they plead for laws which will protect the little children they are met with this answer from the employer of labor, that it is not fair to put us in competition with a producer of other States where a less rigid standard is enforced. There is force in that argument, and it shows that interstate commerce is at the very root of this question of child labor. I grant that 30, 40, or 50 years ago, when transportation facilities were not so adequate, when business between the States was not so common, it might have offended my own sense of the rights of the several States to have urged this kind of legislation. But times have changed and we must change with them. The days of railways, of rapid express freight trains from one end of the country to the other, have come and commerce between the States is as common as commerce within the States, and in fairness to those who produce in one State and send their products into the commerce of the other States, the same standard of labor ought to be employed everywhere.

Now, the gentleman's objection that this would prevent a boy or a girl from canning tomatoes in company with a half dozen other children is all bosh, as the gentleman must know—

Mr. TRIBBLE. Read your bill.

Mr. PALMER. I have read the bill; I know all about the bill.

Mr. TRIBBLE. So do I, since I have studied it.

Mr. PALMER. It provides against labor of that kind in workshops, canneries, manufacturing establishments, and factories, and the gentleman will not say that the circumstances to which he refers could make a factory or a workshop or a cannery. It will not interfere with work upon the farm, it will not interfere with work in the household, it will not interfere except in places where labor is employed somewhat en masse—in factories, canneries, and workshops, and places of that character—and there I submit that the law ought to lay its hand in order to prevent employers of labor in every State from grinding down the little children against the interest of future generations of American men and women. [Applause.]

Mr. TRIBBLE. Mr. Chairman, I ask the privilege of extending my remarks in the Record.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. HINEBAUGH. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. FESS].

Mr. FESS. Mr. Chairman, about a half an hour ago the eloquent gentleman from Missouri [Mr. BORLAND], speaking to this bill, made the statement that there was no possibility of our Government going into war. I hope that that statement is true. There is no one in the United States who desires such a fatality as war. I want to speak just briefly of what seems to me a very dangerous parallel with the days preceding the War of 1812. I seize upon this time to do it because to-day is the day that the German order, announced February 4, blockading the island of Great Britain takes effect. I should like to recall to the House some of the diplomatic orders prior to the second war of independence. It was early in 1806 that Great Britain blockaded portions of the French border and declared the mouths of four rivers in a state of blockade against all neutral territory. Those rivers were the Ems, the Elbe, the Weiser, and the Trave. That decree of Great Britain was followed by Napoleon on the 11th of November of the same year by the famous Berlin decree which blockaded the island of Great Britain against all neutral vessels. That was in November, as I have said. Then, in January, 1807—to be specific, January 6—there was a retaliation on the part of Great Britain in her famous orders in council, and this was to blockade all of France by forbidding neutral vessels from trading between ports of France or her allies. Then, in November following Great Britain issued a second order in council more sweeping, which included the obligation to blockade all the possessions of France and all her allies. It forbade trade with the ports of France or her allies, or even with any port of Europe from which the British flag was excluded without a clearance obtained from a British port. This was followed by the most sweeping order of blockade in our history. It was the second order of Napoleon in the famous blockade of Milan. The decree in November, 1807, went thus far: It declared that all vessels submitting to English search or consenting to a voyage to England or to the payment of any English tax, as well as every vessel that should sail to or from a port of Great Britain or her possessions, or in any country occupied by British troops, would be deemed a lawful prize.

These four decrees, or rather five, if the first partial order is included, on the part of Great Britain and France literally swept the commerce of neutral countries from the sea. Our own country suffered most. While the measures were aimed at others, they hit us hardest. It was at this time that President Jefferson finally resorted to the famous embargo act which was nicknamed "O-grab-me act." He believed that if the embargo act could have been made effective by receiving support from this country it would have prevented the war of 1812; but it was so unpopular, especially in certain sections of the country in which commerce was almost totally destroyed, that a revulsion of public opinion was worked against the administration, and in 1808, when Madison was a candidate for election to succeed Jefferson, an issue was made before the country against the embargo act. However, Madison won upon a promise that relief would be granted. This was attempted when he modified the act by the famous non-intercourse act of 1809, two years after the embargo act. The nonintercourse act had the effect to limit the shipping of goods from this country to the belligerent countries, or to those at war, instead of to all the countries then involved in the former decree, the embargo. Finally war came. It came in obedience to

a declaration on the 18th of June, 1812. Jefferson feared it and did what he could to prevent it. He but deferred it. Madison had opposed war to the point where the people said, "Madison can not be kicked into a war." This statement was employed as a slogan by those unfriendly to the administration. Finally public opinion became so strong that he literally was forced into the struggle. It did not require any overt act to induce it—no sinking of a vessel—but only an employment of such maritime rights as England claimed as hers. This produced war in 1812. McKinley in 1898 tried to prevent war and was successful up to a certain point, but at the cost of the most abusive language, and he ultimately went into war as a response to the demands of the people of the country which he could no longer restrain. In obedience to what was done then and in the light of 1812 and 1898, I wish that the membership of the House, especially that portion of it which believes sincerely that there will not be war, hoping at least that the President can prevent war—for nobody would think for a moment that the President would do anything knowingly that would precipitate it; everybody agrees to that—I wish that the membership of the House would notice the events that have taken place since the 1st of August last, with special reference to the possibilities confronting us as a Nation at this hour.

On November 4 Great Britain pronounced the North Sea in a blockade, to take effect on November 5, the day after. On February 4 Germany pronounced the blockade about the British Isles, including not only the water surrounding the isles but also reaching out to all vessels that would sail the sea destined to England. While it does not so specify, it really means that. That order was to take effect not the day after, but on the 18th, which is to-day. I do not believe that anyone would question England's right to make such an order, however hurtful it must be to neutral commerce. I do not believe that many will seriously question Germany's right, so far as international law will go, to do what she proposes to take effect to-day, however hazardous it may be for neutrals.

On the 28th of last December our President sent a note to England through the State Department which, to say the least, was simply to the effect of "Come, let us reason about this matter." It was not in a spirit of jingoism, but it, in a friendly spirit, called attention of England to the disturbance that her exercise of power on the sea over neutrals was placing our commerce. Over this England seemed, in a sense, to be surprised. But while everyone will admit that Great Britain has the right to stop our vessels for the time and to search for contraband of war, we have rights which must be respected, which can not be violated on mere suspicion. Notice the question of conditional contraband and the hauling into port of our vessels upon mere suspicion. This has seriously harmed our rights upon the seas. Conditional contraband can be so expanded by mere suspicion to cover all foodstuffs. When food goes to Germany in a vessel like the *Wülhelmina*, it will be held up in order to see whether it has conditional contraband. Although it is not to be used by combatants, it is held as though it were so destined. Germany declares that all food that goes to Germany must be held in her possession. In other words, the German Government will take possession, but has assured our Government it will be turned over to noncombatants. Great Britain feels her right to forbid the food to go to Germany because of that order, for the conditional contraband in this case, according to her interpretation, would become absolute contraband. Note the situation as it increases in complication. These decrees, passing as they are, and with Great Britain running up our flag over an English sailing vessel, are indicative to me and to you that events are traveling fearfully, rapidly toward what I fear may be a brink where the unexpected may take place.

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

Mr. HINEBAUGH. Mr. Chairman, I yield two minutes more to the gentleman.

I simply want to call the attention of the House to this dangerous parallel. Compare the decrees of France and England prior to 1812 with the following decrees:

WAR ZONES COMPARED.

A comparison of the British and German war-zone orders disclosed these striking facts:

First. The British Government on November 4 notified the United States Government that its war zone would be effective from November 5—one day's notice.

Second. The German Government issued its war-zone proclamation on February 4 and communicated it to Ambassador Gerard on the same day, announcing that the German war zone around the British Isles would be effective after February 18—15 days' notice.

Third. The British war zone covers the whole of the North Sea.

Fourth. The German war zone covers the entire English Channel and all the territorial and high sea waters around the British Isles.

Fifth. The British war-zone order sought to close the north of Scotland route around the British Isles to Norway, the Baltic, Denmark, and Holland.

Sixth. The German war zone seeks to close the southern or English Channel route around the British Isles to Holland, Norway, Sweden, Denmark, and the Baltic.

Seventh. The British war-zone decree drew an arbitrary line from the Hebrides Islands, along the Scottish coast, to Iceland, and warned neutral shipping that it would cross this line at its risk, but that ships of neutral nations might go to Holland and other neutral nations along the eastern littoral of the North Sea by taking the English Channel and Strait of Dover route.

Eighth. The German war zone declares that neutral vessels will be exposed to danger in the English Channel, but routes of navigation around the north of Scotland Islands in the eastern part of the North Sea and in a strip 30 miles wide along the Dutch coast are not open to the danger zone.

Ninth. The Germans make the southern channel route dangerous and declare the north of Scotland route safe, while the British declare the north of Scotland route dangerous and the English Channel route safe, the effect of this being that neither the northern nor the southern routes around England will be safe for neutral vessels.

Tenth. The British war-zone order was based on the discovery of mines in the North Sea, while the German decree is based on England's attitude toward contraband, the *Wilhelmina* case, and England's establishment of a war zone.

While we all hope that there will be power enough to maintain a peaceful basis against what may take place in a few days to prevent this Nation going into trouble, yet no Member of this House can close his eyes to what took place prior to 1812, and to what might take place here in our own country. Suppose one of our vessels flying the American flag goes into the neutral waters which they are forbidden to enter by this decree, and suppose that vessel should be sunk, what will be our attitude? Suppose some of our citizens are on such a vessel, what will be our attitude?

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

Mr. FESS. Yes.

Mr. BUTLER. Why not let the vessel for the time being stay out of this war zone?

Mr. FESS. That would be my advice. However, the Nation has not agreed to lay an embargo; it is loudly demanded by some citizens. And I want to clinch what I am saying by this statement. I opposed the ship-purchase bill generally on the ground of the danger that we are courting. The following is a statement from the London Times, to which I wish to call your attention. I simply want to warn our people.

The possibilities of international trouble which it contains are at least as clear. Questions of contraband, and of search for contraband, are difficult and delicate enough between belligerents and neutrals, when the neutral ships are in private ownership. It is manifest that they would be very gravely complicated were the neutral ships themselves the property of a neutral State. The acquisition of a number of interned belligerent vessels for the purpose of employing them in the service of a neutral State would certainly afford ground for controversies which it must be the wish and the interest of real neutrals to avoid.

When you say the President can prevent war, you are putting a good deal of obligation upon him if something might happen in this country. [Applause.]

It will not do to pride ourselves upon professions of peace and talk and vote for war-making measures. It is the crassest ignorance to depend on the head of the Nation for peace. The Executive is not the war-making body of this Nation. Let some overt act of war take place and note what will happen in this country. Wilson could no more hold this people at bay than could Madison in 1812 or McKinley in 1898. The Democrats here would be among the first to demand action.

This is no time to multiply opportunities for international disputes, for when our honor is at stake not all the powers of President or Congress could stay the sword of the Nation. Hence the importance of our keeping our balance at this juncture.

Before we abdicate our rights as Members of this body to carry out the capricious wish of a Cabinet member, or even the head of the Nation, we should weigh the consequences of our acts and measure the forces now at play upon the sea, which can not be overlooked from the standpoint of our national welfare. Our international situation is strained by our Mexican situation, largely due to a lack of policy.

The open-door policy in China is seriously threatened by Japan's aggression, and, as it appears, with the permission of her ally. The situation with Europe, in view of the counter-decrees of the belligerents, ought surely to open our eyes to the necessity of the most careful guarding of the rights of this House.

Mr. HINEBAUGH. Mr. Chairman, I yield six minutes to the gentleman from Michigan [Mr. SAMUEL W. SMITH].

Mr. SAMUEL W. SMITH. Mr. Chairman, in the time allotted to me I should like to have the Clerk read an article written by Capt. Wilson I. Davenny, of Pontiac, Mich., entitled "Glory-Crowned Gettysburg."

The CHAIRMAN. The Clerk will read.

The Clerk reads as follows:

GLORY-CROWNED GETTYSBURG.

(By Capt. Wilson I. Davenny.)

"Gettysburg is a thrice-hallowed name. On the historic days in July half a century ago the Federal forces under Meade and the gallant and faithful followers of Lee mingled their sacrificial blood in the baptism of that most memorable field. And here, on a November day that was made forever notable by speech, Abraham Lincoln delivered his immortal address dedicating a portion of that field as a final resting place for the men who had yielded their lives that the Nation should survive. And within a lifetime more than 50,000 of the men who had been grim, determined actors in a death-inviting drama are met again upon the same consecrated soil and under the scorching rays of a July sun, but not in hostile ranks; not as foes, but as friends. The days of conflict and carnage are done, and the eyes that then were sighted along a glistening rifle barrel now dimmed by mists of years seek and meet the responsive and full forgiving glances of an erstwhile foe. The chasm of half a century is bridged. The asperities of years ago are submerged in an unbidden flood of mutual tears. The full and throbbing hearts of the veterans now beat in unison. There is no North, there is no South.

"The actual participants in the war of the sixties have themselves sealed the record of their privations and sacrificial suffering. Let no man open the book but to learn the splendid lessons of devotion to duty, as each man saw it, whichever section of our now united and common country may have claimed his service.

"It is worthy of serious reflection on this semicentennial anniversary of the third day's battle at Gettysburg that it is as true as when the 'great commoner' paid his tribute to the fallen sons of the North that while honoring the dead we should cherish a reawakened interest in 'that cause for which they gave the last full measure of devotion,' and that we 'highly resolve * * * that the Government of the people, by the people, and for the people shall not perish from the earth.' And in making this high resolve let us clearly understand that it is no idle pledge, but a dedication to civic endeavor, social uplift, and the advancement of practical patriotism. With the conspicuous inequalities in our social fabric, incident to the accretions in recent years of great wealth in the hands of a few and the daily exposures of venality and dishonest methods under our political system, the question, 'Whether or not a nation dedicated to the proposition that all men are created equal' is still biding its solution. There is still need for a sturdy, uncompromising, high-minded, patriotic citizenship, and there must be enough of it to give healthful direction to the all-encompassing commercial spirit of the times, if the American democracy is to endure as a permanent institution.

"God grant that the lessons of glory-crowned Gettysburg, thrice consecrated to duty, patriotism, and peace, shall strengthen and sustain the pillars of the Republic." [Applause.]

Mr. SAMUEL W. SMITH. Mr. Chairman, I yield back any time that I may have left.

The CHAIRMAN. The gentleman yields back two minutes.

Mr. BARTLETT. Mr. Chairman, I yield five minutes to the gentleman from Arkansas [Mr. CARAWAY].

Mr. CARAWAY. Mr. Chairman, I wish to continue the remarks which some days ago I delivered on the subject of rural credits, and I wish to put into the Record some statements touching this subject.

There are 12,000,000 farmers in these United States. Their aggregate wealth, including all property, is \$41,000,000,000. They owe \$6,000,000,000. Their farms are mortgaged for \$3,000,000,000 of this sum. Annually they pay interest amounting to \$510,000,000, an average interest rate of 8½ per cent. Statistics show they can pay only 5½ per cent and prosper. They should pay, therefore, if they are to prosper, instead of \$510,000,000 annually for interest, only \$330,000,000 on their borrowed money. In other words, there is wrung from the farmers an annual interest charge of \$180,000,000 in excess of what they can afford to pay. Industrial 5 per cent bonds now sell at par. Panama 3 per cent bonds are quoted at 99. The farmer, notwithstanding he produces all the wealth, and in the last analysis possesses it, pays 8½ per cent interest. This he can not afford to do, and under just economic laws would not be required to do. For that reason they demand of us, their Representatives in the American Congress, and have the right to demand of us, the enactment of a law to right this wrong. I myself am glad to acknowledge this obligation, and here and now pledge myself to that service. When we shall

have dealt justly with the farmers of this country they will have had their interest rate for agricultural enterprises reduced from $8\frac{1}{2}$ per cent, the present rate, to not to exceed $3\frac{1}{2}$ per cent, and thereby retain for themselves and their families \$300,000,000 annually, which they now unjustly are compelled to pay as excess interest on this borrowed money. This is the sum they now pay to a system which is not adapted to their needs and which the enactment of a just rural credit law would avoid.

Rural credits, as the name implies, is a system of credits devised to meet the needs of agriculture. No other subject is of such importance, not only to the people directly affected, but to all the American people, the producers and consumers of farm products that now pay tribute to commercial banking. On the 23d day of January I made a short speech in this Chamber briefly calling attention to a bill I had introduced on the 12th day of January of this year, proposing a rural credits system for this country. In the short time then available a full explanation of its provisions was impossible, although the bill itself is extremely brief and simple. Since that time, I am pleased to say, the legislative committee of the National Farmers' Union met in the city of Washington and indorsed this bill and made it the concrete demand of the farmers' union of the United States for rural credits. Inasmuch as the system is designed primarily for farmers, they should be consulted with reference to the provisions of any proposed legislation. Since the success or failure of the system would more directly affect farmers than any other class of people no legislation touching this subject should be enacted that does not meet with their entire approval. To deny them the right to have enacted a law the provisions of which they approve is to arrogate to ourselves a superior intelligence or to deny to the farmers the intelligence to understand and comprehend their own needs. None of us, I am sure, is willing to assume that attitude, and therefore let me hope all who are sincerely desirous of the enactment of a just and adequate rural credits bill will join in the advocacy of this measure. I have in it no pride of authorship. Embodied in this plan are the ideas and ideals of the National Farmers' Union, the organization that has done as much or more than any other for the advancement of farmers. In its provisions are crystallized the labors of the best years and most devoted efforts of such men as the Hon. Charles S. Barrett, the president of the national association, and men of his cabinet, as well as others, and I am happy in being authorized by them to say its provisions meet with their approval and the approval of those for whom they speak, and that its enactment would free the farmers from bondage to a system from which they have long suffered. To show in what complete accord its provisions are with the demands of farmers as expressed through their organizations upon this subject, I will have inserted in the RECORD the remarks delivered before a committee of Congress some months ago by H. S. Mobley, State president of the Farmers' Union of Arkansas, and in passing I want to pay to him a deserved tribute. No man more accurately and sympathetically reflects the hopes and aspirations of the people for whom he speaks or expresses those views in more clear and forceful language.

This bill seeks to accomplish four things, or rather to accomplish one thing directly, and indirectly three others. The first object sought, of course, is to procure for farmers long-time loans at a rate of interest so low that agriculture can afford to pay that rate and prosper. The second object, and not less important, is to make it unprofitable, and therefore improbable, that large landed estates should be acquired; certainly a most desirable result, for no country has ever prospered as it should where the lands are held by a few and the great mass of the people are tenants, not that tenants are not good men, but the very condition under which they labor prevents them from developing the best there is within them, and withholds from their families the fruits of their toil.

A third object sought is to enable the farmers to receive the benefits of this act without at the same time disturbing local interest rates and thereby destroying local banking and commercial business, the importance of which is so obvious that no comment is needed.

The fourth is by permitting a loan of 25 per cent of the value of the improvements on the land to encourage those residing upon the land to erect adequate buildings and other improvements thereon.

Section 2 of this act provides that there shall be created in the Department of the Treasury a commission to be known as a rural credits commission to be comprised of five men. Three of them are to be farmers who have no other occupations, and two to be men of large affairs. The entire system, its development and operation, is intrusted to their wisdom and discretion.

Plenary powers are given them to make such rules and regulations as will best conserve the objects sought to be attained. Three farmers are named on this board, because it is necessary, in my judgment, to have men whose sympathies are solely with the farmer, and whose experiences have made them fully acquainted with all of his conditions, and by that means keep ever in view the object for which this act is proposed; that is, the betterment of the farmers of this country. The other two members are to be men of large affairs, because expert training and knowledge that goes with the handling of large business interests will enable them at all times to promote the sale of these securities, and to direct the investments of the amortization fund so that the best results from this fund may be obtained.

Section 3 fixes their tenure of office at five years, the object being to make it impossible that this commission shall be swept out of power at each change of administration. It is hoped that this commission shall always be preserved from partisan politics, and that fitness for the duties to be performed shall be the sole reason for making these appointments. The salary is \$6,000 each per year, and is to be paid out of the Treasury of the United States.

Section 5 gives the commission the power to select its agents and to employ all necessary assistants. No reference is made in the section to civil service, because it would doubtless happen that men most qualified to deal with problems confronting the farmer would be less able to pass a technical examination. We all know that it frequently happens that the ability to spell correctly and to recite dry facts of history are indicative not of executive capacity, but are merely the acquirements of one who has no inclination to labor and no ability to rise.

Section 6 makes postmasters the agents of the Government for performing whatever services may be required of them touching this measure without additional compensation. The reason for selecting these men is that they are already in the employ of the Government; they are men of ability and honor; they are selected from the people, and are familiar with the conditions in the locality where they serve. No additional compensation is granted them, because the duties are light and involve more of honor than labor, and for the further reason that the expense attendant upon a loan should be made as light and as little burdensome as possible to the borrower. All of us owe a duty to the public and should be willing to render some services without direct compensation, and I know this great body of patriotic men will be willing to perform whatever duties may be required of them by this commission without additional recompense.

Section 7 defines a "farmer" as one who actually resides upon a farm and is engaged in the business of producing agricultural products. The benefits of this act are extended to everyone of that class and denied to all others. It also fixes periods for which loans may be made at 5, 10, 15, 20, 25, and 30 years, and provides, further, that a farmer may pay his loan at any time after the expiration of five years, or may pay \$100 or any multiple thereof after that period at any interest-paying period, and upon any sum so paid the interest thereon shall cease. Section 7 further provides that any farmer who is entitled to a loan at all under the provisions of this bill, shall, if he desires, receive a loan of not less than 50 per cent of the value of his lands and not less than 25 per cent of the value of the improvements thereon. This provision is arbitrary as to the amount the farmer shall be entitled to receive, if entitled to receive anything, only so far as it fixes the minimum that he may be permitted to borrow. If he is entitled to more, the commission may extend it. It leaves within the power of the borrower to determine the number of years which his loan should run. However, it is not to be less than 5 years nor more than 30 years, but at any time within that period he may terminate it at his pleasure. The object in fixing a loan value upon his improvements is obvious. While 40 acres of land, or any other number, will produce as much corn or as many bushels of wheat or pounds of cotton with a shed in which a family may exist and without any shelter for live stock, yet it does not meet the requirements nor the desires of the producers of America's wealth. Therefore, not only to encourage the erection of comfortable homes and adequate outbuildings, but to make possible these improvements a loan value for that purpose is provided in this measure.

Section 8 provides that deeds of trust or mortgages shall name the chairman of the commission as trustee for the use and benefit of the United States of America. This instrument shall name the amount sought to be borrowed, the number of years the loan is to run, but leaves the interest rate blank. This provision is for the purpose of permitting these evidences of indebtedness to be sold at par to the one who is willing to pay par therefor and accept the lowest rate of interest procurable. This

section further provides the manner in which the borrower shall furnish evidences of his title. An abstract of some recognized agency shall be furnished, but examined by officers appointed by the commission, and without expense to the borrower. This provision, in my judgment, is necessary in order to make it possible for small borrowers to acquire a loan without having the expense incident thereto made prohibitive. The section further provides that in those States where the Torrens system of registration of land titles shall have been adopted, the certificate of the State shall be evidence of title. This would rid the farmer of the necessity of procuring an abstract, and the costs incident thereto would be eliminated. Of course, this will arouse the antagonism of those who are commercially engaged in preparing abstracts of title or of attorneys who pass upon titles, but it will hasten the day when that system of registering land titles shall be adopted in every State of this Union.

Section 9 provides the method by which the applicant for a loan puts into motion the machinery to accomplish that purpose. He shall first apply to his local postmaster and procure the necessary blanks. He shall execute these blanks under oath, setting forth the amount of the loan he seeks, the security he has to offer, and the purposes for which he seeks the loan, the number of years he desires it to run, and all additional information that the commission may desire and direct. Upon receipt of this application the postmaster shall appoint two committees, of three men each, and the first named of each shall act as chairman of his committee. The first committee shall consist of three farmers, who reside in the immediate vicinity of the land upon which the loan is sought and who are familiar with it as a farming proposition. They shall make a secret appraisal of both the lands and the improvements, but separate. This appraisal shall be made under oath and filed with the postmaster. The second committee shall consist of men of affairs who are familiar not only with the value of the lands but are acquainted with the farmer applying for the loan, and who will know the general conditions in the community at large, whether land values are advancing or depreciating, and other things necessary to be known by the commission to determine the hazard of the loan. This appraisal shall be made in secret and under oath and filed with the postmaster. Upon receipt of the two appraisements the postmaster, together with the chairmen of the two committees, shall open the two appraisements and shall revise and make out a just and fair appraisal of the lands, and also the improvements, which shall be forwarded to the commission at Washington, together with all additional information the commission may desire. The commission at Washington, upon receipt of this appraisal, shall determine the amount, if any, of the loan to which the applicant is entitled and return to the postmaster the necessary deeds of trust to be executed by the applicant. This shall name the time for which the loan is to run and the amount, but leave blank the interest rate, because the interest is to be determined by the sale of the security. This deed of trust shall designate the chairman of the commission as trustee for the use and benefit of the United States of America. Upon receipt of this deed of trust, duly executed, the commission shall sell at private or public sale this evidence of indebtedness at par within the city of Washington or elsewhere, as in its judgment the most advantageous terms for the borrower may be procured, and at the lowest rate of interest procurable. The borrower shall pay the rate of interest for which his security is sold and at the times specified therein, and, in addition thereto, shall pay whatever per cent as an amortization fund the commission in its judgment may fix.

Section 10 provides that this amortization fund shall be a common fund; that is, it is the fund from which the interest due upon any loan, when due, shall be paid, and also from which shall be paid the principal of any maturing obligation. The object of making it a common fund is obvious. It will enable the commission at any time to pay any interest payments when due, or any loan upon its maturity, and therefore will make the security more desirable, and the interest rate the same in every State in this Union, because the lender can have no interest in the location of the lands or to whom the money he loans shall be paid. He merely files his voucher with any postmaster of the first, second, or third class, or any national bank, and the same will be cashed, and in the same manner his loan at its maturity will be paid. Thus no one will hesitate to loan money to one who applies through this system, and the failure of crops, the death of the borrower, or any other misfortune or disaster can not delay the payment of the interest or the cancellation of the loan itself at its maturity.

Section 11 provides the manner of foreclosing a mortgage when the borrower shall have failed to meet his interest payments or the payment of his obligation upon its maturity. The

land shall be seized through a foreclosure procedure had in the district court for the district wherein the lands are situated. All officers of said court are made the agents of this commission, and to serve without additional pay. Any time during the pending of the suit the borrower may pay his arrears, and the suit will be dismissed, or if he fails to do so, and his lands are sold, he has one year from date of sale in which to redeem the same. The sale, under the provisions of this bill, is not a sale in the sense that the obligation shall be paid in its entirety, but only its arrears, so that the tenure of the loan upon the land for a period of years shall not be disturbed. The purchaser at said sale shall merely pay the sum in arrears, together with what costs, if any, may be accrued to this amortization fund and assume the obligations of the original borrower. Whatever in addition to this that he may bid for the land shall be paid to the holder of the equity therein.

Section 12, in my judgment, is the most important section in the bill, and one against which the most bitter opposition will be waged. In this section the Government guarantees the payment of these loans, interest and principal. In this section of the bill the Government does for rural credits what it did for commercial banking in the Federal reserve act; that is, guarantees the observance of all its contracts and the redemption of all its obligations. This will make a farmer's loan as much to be desired by the investing public as a bond of these United States, and in many respects more to be desired, because in addition to the credit of these United States he has the real estate of the borrower, which is the best security that can be offered, and in this country, where prices are constantly increasing, this security will be more valuable as the years go by. If section 12 is permitted to remain in the bill—and without it the bill should not pass—there is no reason to believe that the rate of interest which a farmer will be compelled to pay will ever be in excess of 3½ per cent. Industrial securities, such as the bonds of the Pennsylvania Railway system, are now selling at par at that rate, and the obligations of this Government have sold at par, with an interest rate below that, and, therefore, in my judgment, the maximum interest rate would not exceed this, and might be considerably lower. When farmers shall enjoy the benefits of this provision and procure capital with which to operate on long-time loans at not exceeding that rate, not only will the farmers of this country prosper, but all the people who consume the products of the farm will, to an equal extent, reap the benefits of this act.

Section 13 limits the amount of a loan to any one person to \$5,000. The object sought by this limitation is to make it impossible for one to build up or maintain large landed estates under the favorable conditions provided for borrowers under the provisions of this act. Were there no limitations it would be not only possible but profitable for men taking advantage of the low rate of interest procurable under the provisions of this bill to acquire large landed estates and thereby defeat the very object of the bill, which is to enable the men who till the soil to become the owners thereof. It provides that where lands upon which a loan has been procured shall pass into the hands of some one not a bona fide farmer, under the provisions of this bill said loan shall become due and payable. If this were not true, it would be possible by use of dummies for one to acquire loans under the provisions of this act, while in fact he was not entitled thereto. It further provides that where anyone shall acquire lands on which mortgages in excess of \$5,000 procured under this act rest the excess of \$5,000 shall become due and payable. This is also a provision to prevent accumulation in the hands of one man large estates purchased with money secured under the advantages of the low rate of interest made possible by this bill.

The entire intention of the bill is that it shall assist farmers to become the owners of their own homes; that those who till the soil shall own it. It is as necessary to shield farmers from the greed of land speculators as from the exactions of an unjust economic system. The country rests, and must rest, for its security and preservation upon the farmers of this country, and conditions must be made possible whereby every man who farms shall own the lands he tills. When this bill shall have become a law that condition will have been created and that result will follow. Therefore this bill should receive the unqualified support of all who have at heart the interests and the desire to protect from unjust conditions that class that founded and must preserve this Government and the free institutions we enjoy.

A bill (H. R. 20841) to provide for a low rate of interest and long-time loans in aid of agriculture, and for other purposes.

Whereas experience has demonstrated that a banking system suitable and adequate for the transaction of commercial banking is unsuited and inadequate for agriculture; and
Whereas the rate of interest that prevails in commercial transactions is in excess of that agriculture can pay; and

Whereas it is desired to establish a system whereby those bona fide engaged in agriculture may obtain a loan at a low rate of interest and long-time payment; and

Whereas it is not desired to disturb local banking conditions; and
Whereas it is in the interest of agriculture and good citizenship that large landed estates be not acquired; and
Whereas those who actually reside upon the land and till the soil should be the owners thereof: Therefore

Be it enacted, etc., That the short title of this act shall be "A rural credits act."

SEC. 2. That there is hereby created in the Department of the Treasury at Washington, D. C., a commission to be known as a rural credits commission, said commission to be composed of five members appointed by the President, by and with the advice and consent of the Senate. These commissioners shall be selected from the various sections of the United States, and three of whom shall be actual bona fide farmers, who reside upon their farms and have no other occupations. Two shall be men of business affairs and recognized financial ability. The said rural credits commission shall herein be referred to as the commission. They shall elect one of their members chairman.

SEC. 3. That at first said commissioners shall be appointed for one, two, three, four, and five years, respectively, and after that their terms of office shall be for five years each unless removed by the President for cause. The salary shall be \$6,000 each, payable quarterly.

SEC. 4. That the Secretary of the Treasury shall assign them rooms for the conduct of their business, and they shall have power to appoint clerks and employ assistants that may be necessary for the transaction of the business of the department.

SEC. 5. That said commission shall have power to prescribe all rules and regulations necessary for carrying into effect the provisions of this act and for the conduct of the business of the department.

SEC. 6. That all postmasters throughout the United States and Territories thereof and the District of Columbia, for the purpose of carrying this act into effect and for the proper conduct of its business, shall be the agents of the commission and perform whatever services may be required of them without pay.

SEC. 7. That the purpose of this act shall be to enable farmers to procure long-time loans at low rate of interest to purchase farms or to develop and extend their agricultural productiveness. The word "farmer" as herein used shall mean one who actually resides upon his farm and is engaged in the business of farming, and the benefits of this bill shall be applicable to farmers residing in any State or Territory of the United States of America or the District of Columbia. The loans herein contemplated shall run in series of 5, 10, 15, 20, 25, and 30 years, at the option of the borrower. Interest to be payable annually. The terms of such loan shall provide that at any interest-paying date beyond five years the borrower shall have the option to pay the principal, or to make payment of \$100, or any multiple thereof, and upon such payment being made the interest on the amount so paid shall cease. Payment may be made at any post office or national bank. No person shall be entitled to a loan unless he actually resides upon his farm, or shall use the loan in payment of lands upon which he shall immediately fix his home. The amount of the loan shall be determined by the commission herein created, except anyone applying who is entitled to the loan shall, if he desires, receive as a loan as much as 50 per cent of the actual value of his lands and 25 per cent of the actual value of the improvements thereon, and as much more as may in the judgment of the commission be safe and prudent to extend him.

SEC. 8. That all securities or deeds of trust executed by anyone to secure a loan hereunder shall be made payable to the chairman of the commission as the trustee for the United States of America. Said instrument shall recite the amount of the loan and date of maturity, but shall not name the rate of interest to be paid thereon. Said instrument must be executed by the borrower according to forms of the State or Territory in which the lands are situated and in conformity with the rules and regulations prescribed by the commission. In addition to executing the said instrument herein referred to the borrower shall execute notes with coupons attached for interest periods named in said deed of trust and in the form that may be prescribed by the commission. These coupons are redeemable or payable at any national bank or any post office of the first, second, or third class. These notes, securities, coupons, and obligations and funds shall not be subject to taxation, municipal, State, or national. The title to said lands shall be shown by a suitable abstract, which shall be forwarded with the application for the loan, except in those States where the Torrens system may prevail, and in those States the certificate of the State shall be sufficient evidence of title. There shall be proper officers appointed for the examination of titles, for which services no fee shall be charged.

SEC. 9. That a farmer desiring to avail himself of the provisions of this act shall file with the local postmaster a written application under oath, setting forth the security he has to offer, the amount of the loan he desires, and the purposes for which he desires it, and such other facts as may be required by the commission. Whereupon the postmaster shall appoint two committees, consisting of three members each; the first named of each shall act as chairman of his committee. The first committee shall consist of three farmers residing in the immediate vicinity of the farm upon which the loan is desired, and who shall be familiar with its value, and they shall make an appraisal of the value of the lands and the improvements thereon separately. Said appraisements shall be under oath and secret, and shall be filed with the postmaster appointing said committee. The second committee shall consist of three men of affairs who are familiar with the land and improvements upon which the loan is sought and with the general conditions in that vicinity, as to whether values of real estate are advancing or declining, and whether the applicant is a progressive farmer or otherwise. They shall likewise appraise the farm and improvements and give whatever other information may be necessary to determine the hazard of the loan. These appraisements shall likewise be secret and made under oath and filed with the postmaster appointing said committees. When these appraisements are received by the postmaster, the postmaster and the chairmen of the two committees shall proceed to open the appraisements and to make therefrom a just and accurate appraisal of the property, both lands and improvements, and transmit the same to the chairman of the said commission at Washington, together with whatever other information may be necessary with reference to the applicant in the loan sought, to enable the commission to determine the amount to be loaned, if any. When the application is received and approved by the said commission, it shall cause to be forwarded to the postmaster from whom it was received the necessary notes and instruments to be executed by the borrower, who shall execute them in the manner prescribed by the commission and return to said commission. Thereupon said notes and instruments

for the loan shall be sold in the open market for par at the lowest rate of interest procurable. The proceeds of said sale shall be transmitted to the borrower. The borrower shall not only pay the rate of interest agreed upon in said sale, but shall pay whatever per cent may be necessary for the amortization of said loan at maturity thereof. The per cent for amortization shall be fixed by the commission.

SEC. 10. That the moneys paid in under amortization herein provided for shall be a trust fund available for the payment of any interest or principal that may be due and unpaid on any loan made under the provisions of this act, and shall be deposited in the Treasury of the United States or put out at interest, as may be determined by said commission.

SEC. 11. That if any borrower shall make default in the payment of principal or interest under the provisions of his loan, then, under such rules and regulations as the commission may prescribe, his lands shall be seized and sold subject to the terms of the loan, and for the purpose of said seizure and sale suit may be brought in the name of the commission, and all district attorneys are hereby authorized and commanded to prosecute said suits without fee. Said suits shall be in the United States district court for the district in which the lands are situated. From the proceeds of said sale all costs shall be first paid, and accrued interest and principal, if due, and the residue, if any, shall be paid to the borrower. Real estate sold under the provisions of this act may be redeemed from said sale by anyone holding the equity therein within one year from the date of sale.

SEC. 12. That the United States of America shall guarantee the payment of all interest and principal of loans procured under the provisions of this act.

SEC. 13. That no loan shall be in excess of \$5,000. If the premises mortgaged under the provisions of this act shall pass into the ownership of anyone who is not a bona fide farmer, the indebtedness shall at once become due and payable. If anyone shall acquire lands upon which there is a loan under the provisions of this act in excess of \$5,000, the excess of \$5,000 shall at once become due and payable.

SEC. 14. That this act shall be in force from and after its passage.

The remarks of H. S. Mobley are as follows:

In my argument before your committee at various times I have outlined the idea which we farmers have of the reasons why a rural-credit system separate from the commercial banking system is necessary. I do not suppose it is necessary for me to go into that at this time. The plan which we propose for rural credits is different from anything which has been presented to the committee; that is, that I have knowledge of.

One objection to all the plans which have been presented to you is that they propose, in some measure at least, that the source of the credit to be extended to the farmer is to be derived from money which is payable on demand. Not one of them, so far as I am aware, proposes to bring, in an available way, in reach of the borrowing farmer real investment money. Another general objection to these plans is that, almost without exception, they would bind the farmer to the necessity of paying for his investment loans the rate of commercial interest prevailing in the State where the borrower resides. And, gentlemen, these two things are fundamentally wrong, and we are prepared to say that a rural-credit plan providing for long-time loans, whose source is demand capital and charging commercial interest, instead of being a help to the farmer, would be a detriment; and if this is the only kind of rural credits which your committee or the Congress and Senate of the United States will enact on behalf of the farmer, we believe it would be better to drop the whole matter and leave things as they are.

Our plan, in the concrete, is about as follows:

Any actual farmer to be permitted to approach some officer of the Federal Government in his immediate locality—possibly the postmaster—and on prepared blanks make application for a loan on his land for either part payment on his farm or to discharge a previous lien, the Federal officer to have authority to appoint two sets of appraisers, of three men each, each set to operate independently of the other and to be appointed by the Federal officer at separate times, so that one set of appraisers will not be officially in existence at the time the other set makes its appraisal; no member of the two sets of appraisers to be related to the proposed borrower nor connected with him by business relations or otherwise; the first set to be three actual farmers who have had a personal knowledge of the land offered as security and the one asking it for a period of five years, they to make their appraisal of the value of the property and to reveal nothing to anyone concerning the result of their finding, but to make a sworn report in writing and file it, sealed, with the local Federal officer; after their report, this officer to appoint another set of appraisers, who are to be men of affairs in the business relations of the community, they to make an appraisal according to their judgment and report to the Federal officer in like manner; the Federal officer then to call in the chairmen of the two appraising committees, and they three to open the sealed reports of the two committees and make a final appraisal and recommendation for the loan on the property.

There to be established in the Treasury at Washington a commission of 12 men, to be known as the rural-credit commission, 7 of these men to be actual farmers who have had five years continuous experience in deriving their living from the soil immediately previous to their appointment, the other 5 men to be men of affairs in the financial life of the Nation. Their salaries and expenses to be paid by the United States Government.

The local Federal officer will report to this commission the recommendation of his appraising committees, and this Federal commission, if it be satisfied that the recommendation is for a reasonable and secure loan on the property, to cause to be filed out a form of mortgage, which shall be returned to the local officer for acceptance and signature by the borrowing farmer. This mortgage to be then returned to the Federal commission. When the commission shall have accumulated a sufficient number of these mortgages, they to offer them for sale, with the guaranty of the Government behind them, at par or face value, and at the least rate of interest for which they will be accepted by the investing public.

When such mortgages are sold the sums derived from their sale to be forwarded to the local Federal officer or officers and paid over on receipt to the borrowing farmer or farmers, and the date upon which the borrower receipts for the money shall be the date from which the mortgage is to begin, and the rate of interest at which the Federal commission has sold the mortgage shall be the rate of interest on the mortgage. The commission to collect, in addition, at each interest period, a percentage for amortization; and in addition to this, the commission to collect annually from each borrower a sum of not to exceed one-tenth of 1 per cent, which is to be held in the United States Treasury as a guaranty against loss on the part of the Government for its guaranty of these mortgages.

I am aware that here the objection will be raised that the Government should not guarantee these mortgages; that it is unprecedented, etc.; but if you will consider that these loans would be made at not to exceed 50 per cent of the value of the property, that each year a certain per cent of the face value of the mortgage will be paid by the borrower, and that in addition there will be collected from all the borrowers in the United States a sum of money each year which at the end of a 35-year period, at one-tenth of 1 per cent, will amount to a $\frac{3}{4}$ per cent guaranty deposit in the Treasury, it will be seen that there can be no possible risk to the Government in guaranteeing these mortgages. I believe I will ask you to consider this a little more fully. The Government will have as a guaranty two dollars for one in property value; it will also have the appreciated value of the property from year to year (and no one can doubt that most farm lands will constantly appreciate from year to year); it will also have the amortization paid by the borrower reducing the face value of the mortgage, and, in addition, this $\frac{3}{4}$ per cent at the end of a 35-year period.

If this system of appraisal and security does not constitute an absolutely safe business deal, it is impossible for us to conceive of one.

Now, gentlemen, we have presented the outline of our plan, and desire to make some further explanations and arguments in behalf of it. The kernel of the whole matter of rural credits for investment is that the loans must be for a long time and the source of these loans be investment and not demand capital. All investment loans for agriculture should carry the amortization feature, and the most necessary feature of the whole is that they should bear a rate of interest considerably below the commercial rate.

Now, as I have said, I have not found among any of the plans any that proposed rural credits in line with this idea. Gentlemen, agriculture can not pay commercial rates of interest nor prosper under short-time loans, nor long-time loans derived from demand capital. As evidence of this last, banks do not, as a rule, seek to lend the permitted 20 per cent of their capital on long-time loans. The plan which we here propose meets all the demands above set forth.

This plan does not bring the necessarily low interest of agricultural loans into competition locally through neighborhood cooperations with the commercial interest charged by the local banks. This should be gravely considered by you.

Strong emphasis is laid in most of the plans proposed before you on some form of local cooperation among farmers of a financial nature before they can secure any form of rural credits. If local cooperative banks are to be our only source of farm loans, they must compete with local commercial banks, not only as regards the rate of interest but also with regard to the use of local capital. Therefore these cooperative banks of a local nature, being more or less in competition with local commercial banks for local capital, would have a tendency not to lower but to actually raise the local rate of interest. And this further result would follow that the higher rate of commercial rate of interest would attract the local money supply, and would not only serve to raise interest locally on all classes of loans but also would attract local capital more to commercial loans by reason of an increased interest which could be paid by money used for commercial purposes in that locality.

And, again, local cooperation by farmers in order to obtain investment loans is not wanted by the American farmers any more than by American merchants. There is no more reason for the American farmer being compelled to cooperate with his fellow farmers in order to obtain a loan of investment nature on land of known value than there is for cooperation among merchants to obtain loans of a commercial nature on their property of known value or on their credit.

This cooperative feature would tend to destroy the incentive for the individual to build up his own credit according to the laws of credit, individual wealth, trade ability and integrity, and have a tendency to communize him. I am speaking now, of course, of land loans and not personal credit for purely agricultural productive purposes.

It may seem strange that a nation-wide organization purporting to teach and practice cooperation should object to a cooperative system of rural credits. But this is only apparent. Those among us who have studied cooperation realize that, broadly speaking and as applied to agricultural efforts, according to American ideals, it is to be divided into two kinds—one may be called productive cooperation and the other distributive. Now, productive cooperation may not necessarily be communism, but it is at least communistic and tends toward communism. The organization which I have the honor to represent before you has in no way any inclination to enter into productive cooperation, but confines its efforts solely to the advancement of the idea of a distributive cooperation among its fellows. It presumes that the individuals composing its membership will be able to provide their own homes, tools, land, or, that is to say, their own investments, according to the capacity of the individual, and that the individual will use his own judgment as regards his investments and his production. After he has produced a commodity of a kind, the farmers' union undertakes to teach him to cooperate to find a market; but even in that cooperation the individualistic idea is steadfastly maintained so that the individual among us producing the less number or amount of commodities or inferior commodities can not derive any benefit through his cooperation with his fellow cooperators, who have been able to produce a greater amount of marketable commodities of a better grade. In other words, we are purely an American farmers' cooperative organization and scarcely at all tinged with the idea of productive or communistic cooperation, which can not but tend to bring about a leveling of individualistic character among its membership; but, as I have intimated, we strive constantly through our cooperative ideas of a distributive nature to bring out and develop the very best in each individual among us by a competitive system of cooperation. Therefore, we are opposed to cooperative land banks or cooperation of any nature that tends even to transplant to American soil the peasantizing and communistic farm cooperation ideas and practices of the European countries.

Our plan for rural credits places the individual on his own resources for a loan on his own property without involving either the limited or unlimited liability of his neighbors. But there is in this plan a cooperation which is American in its nature; it is not local, but is Nation wide. Each borrower pays a small assessment to the Federal commission as a guaranty for every other borrower, and after all our plan is cooperative, but does not affect the individual nor his personal ability to obtain a loan perceptibly. And, involving as it does all the borrowers in a national liability, constitutes in our plan a far better security for a loan than could possibly be had under any system of local cooperation where only a few men relatively stand liable or as security for loans in a locality. The whole guaranty fund distributed among all the borrowers in the Nation assembled at one point as guaranty for all loans would certainly be better security than any local cooperative plan could offer. This plan certainly would act to stabilize

all the loans, whereas under local cooperation some loans would be amply secured and some possibly would not, which would tend to depreciate the value of all farm loans and thereby tend to increase the rate of interest at which they could be secured.

We advocate a limit to the amount that can be borrowed by any farmer in this way. If the amount is not limited, this condition could arise: The large landholders, by reason of better business ability, could borrow more easily than the man who is perhaps not so well informed and who is occupying all of his time in a struggle to support a family and pay for a home, and the result would be that while the rural-credit law would be ostensibly for the help of such home-owning farmers it would become, in effect, a real help toward extending landlordism and syndicalism in farms throughout the country, and the genuine purpose of the rural-credit law would be defeated. Also, in this connection, a rural-credit law which does not actually provide for a rate of interest below the commercial rate would aid to this end, since the more competent men of larger means and greater ability in handling money could necessarily make greater profits and could, therefore, pay a higher rate of interest.

As I have intimated, our plan preserves:

First. The individuality of the borrowing farmer and does not tend in any way to communize him.

Second. Is cooperative at last, but not directly in a communistic or joint-liable sense.

Third. Its guaranty is distributed over so wide a field as to be not burdensome on any borrower.

Fourth. Its security or guaranty is better, as I have intimated, than any local guaranty of a cooperative nature could possibly be.

Fifth. The system of appraisal can not but arrive at a secure valuation and eliminate all reasonable doubts as to the value of the property as security for the loan.

Sixth. The Federal commission, composed as it is of actual farmers and business men, can act as a safeguard to farmers in other matters of a national nature pertaining to agriculture, somewhat after the plan of the German Landwirtschafts-rat.

Seventh. This plan insures a low rate of interest on agricultural loans by using the Government to bring the owner of investment money and the small borrowing farmer together without the intermediary of any profit-taking form of business whatever. The big point in this is that the small borrower could reach the investor of long-time money with perfect ease, whereas no plan which I have heretofore heard proposed offers to do this nor to provide a real method for lowering interest on agricultural loans.

Eighth. This plan of obtaining money at low interest would not affect the local commercial rate of interest in any way.

Ninth. Does not admit of the possibility of loss to the Government that all other plans I have heard proposed seemed to.

Tenth. Does not use any demand money for long-time loans.

Eleventh. Would relieve local banks of their present necessity of striving to carry the long-time loans of their communities on demand money.

Twelfth. But would permit local banks to use all their capital for commercial or personal credit or for productive loans, thus going a long way toward providing a means for personal credits in the community where much money was borrowed by the farmers for investment.

Thirteenth. The money loaned as we have outlined on farms in any community would largely find its way into local banks of that community, and thus increase their resources for commercial and personal credit uses.

Fourteenth. A large factor in this plan is that it gives efficient aid, as I have said, to the small borrower to reach the investor of long-time money and borrow for a low interest.

In conclusion I wish to say that the theory of all law, as I understand it, is that every man is equal before the law, both as to its opportunities and to its restrictions; that an opportunity offered by a legal enactment may seem to be fair and open to all, but this fact is true, that wherever the law offers men opportunities those men of best business ability and resources are the ones who profit most and necessarily the great masses of less resourceful men profit less.

American farmers have as much ability as any other class of our people, but our ability is not usually what is termed business ability. Our occupation consumes our interests and ability in other directions than those of a strictly commercial business nature. Therefore, when we are left to compete with commercial business of better business resources and ability than ourselves, we always stand to fall to get our share of the opportunities, which, in theory, we should share equally with others, because the other classes are better trained and skilled in business than are we and can secure to themselves the benefits more readily.

Therefore we farmers here and now ask this Government to cure in this matter of rural credits this disadvantage in finances under which we labor. In substance, we ask the Government to act as our middle man and create for us this opportunity of securing credit based on investment money and to bring us in touch with the investors under such statutory legalization as will secure to us that which we are unable to secure for ourselves in competition with these more resourceful and better trained men. This, gentlemen, in substance, is our plea, and we feel that the more serious consideration you give to this subject the more benefit you will confer upon American farmers.

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

Mr. CARAWAY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HINEBAUGH. Mr. Chairman, I yield 10 minutes to the gentleman from Nebraska [Mr. SLOAN].

The CHAIRMAN. The gentleman from Nebraska [Mr. SLOAN] is recognized for 10 minutes.

Mr. SLOAN. Mr. Chairman, I desire to direct my attention, first, to the statement that there are pensioners now living outside the United States numbering 5,163, and to the amendment which has been offered to continue the pensions to those only who are now and continue to be citizens of the United States.

I do not understand that our liberal pension laws were enacted as a matter of inducement or reward for anything that was to occur in the future, but they were intended as a fair

remembrance and evidence of gratitude on the part of this Government for services which had already been rendered by those who took part in the preservation of this great Government of ours. So that it matters not, it seems to me, where they live, or what their occupation may be, or what their present allegiance may be, that if they or those whom they represent upon the pension rolls did perform the service for this Government, then their obligation and contract with this Government is complete, and no penalty should be inflicted upon them because for any reason they see fit to live under another flag or in another land. [Applause.]

I call attention to the fact that of the 5,163 members on the pension roll residing outside of the United States 2,692 reside in our neighbor country Canada, 504 live in the fatherland of Germany, 415 live in the little green isle that furnished a greater percentage of fighting blood for the northern army based upon its area and its citizenship than any other part of the world outside of the United States itself. [Applause.] These three divisions contain 70 per cent of all our pensioners abroad.

There are many reasons, perhaps, why the old mother in Ireland or the old father in Germany or the dependents in Canada should be permitted to live where they are while we continue to simply carry out the contract which this Government made with them or their representatives. Nay, more, Mr. Chairman; there is a most important reason why this House should under no circumstances penalize anyone who has seen fit either to go to a foreign country or to remain in a foreign country and enjoy this pension. Since I have been a Member of Congress, which is now nearly four years, there has been a definite policy followed by this House which was expressed most tersely in the Underwood tariff bill report, where it was said:

The future growth of our great industries lies beyond the seas.

And if that is true, it is the strongest kind of an invitation to the people of this country, if they want to better their condition, to go beyond the seas, because there the future growth of our great industries is to be.

I want to call attention to Canada. Of course, that is not beyond the salted seas, although it is beyond the unsalted ones, where they have had for years the most liberal homestead laws, and where under our present tariff laws the embargo has been taken down so that they can accept the invitation of the majority of this House and go into great agricultural Canada, live there, and produce agricultural products on cheap soil, and, with the American tariff either removed or very substantially reduced, send their products back to America for sale or consumption here. And the party in power, having so placed itself on record, pointing out the advantages of removal to foreign lands, should not inflict a penalty upon any of our patriotic sons and daughters or their grandsons and granddaughters for simply following out the invitation so legislatively made. [Applause on the Republican side.]

Now, then, I want to say further that when we were accepting these men who died and left dependents, or those men who survived to draw pensions, we did not ask in what land they were born, or what they expected to do after the war closed. Every man who offered his services to this country in its time of need was accepted for the work that he proposed to do during the war, and after that all that we have a right to exact of them, or of those who represent them is absolute equality, and that is due from us to them.

I want to say further that we should not long hereafter refrain from recognizing the widows and the orphans of our recent Spanish-American War. I want to compliment the House—and in doing that I give due credit to the majority—for its liberal action in doing what it could at this term to recognize the just claims of the widows of the Spanish-American War. I hope that before this session closes the shackles, or obstructions, or whatever you may see fit to call them, will be removed from the other Chamber, so that legitimate legislation may be enacted; and that as a part of that legitimate, much-desired, and just legislation there will be passed by that legislative body the Spanish-American widows' pension bill, already passed by this House. This should have the favorable action of that other body and the ratification of the Executive of this Government.

Beneficiaries of the Spanish-American widows' bill will be in part the wives of the young men who left their homes for Cuba or the Philippines in a great humanitarian war. These men risked their lives to disease in foreign swamp and fen as well as before foreign guns. The toll of death was not overlight, and many a young wife was left to mourn. Many more

have been bereft of protection by death among those who were honorably discharged in health.

It is more than 15 years since many of these young men, returning with new and proper sentiments of responsibility, joined their lives and fortunes with sweethearts whose letters had cheered them in the long nights and on the weary marches in the far-off islands of the seas. Many of these young men have been called hence and left widows to battle with an unsympathetic world. This Government owes these women a duty. I hope it will be performed by this Congress. It will be an act of justice. It will be a proper recognition of the service of that superb army of laborers, clerks, students, farmers—classes all—which added such a rich contribution to our country's glory.

I desire further to say that I hope that within a few years—and the time is here now, though it seems progress has not been made in recognizing the widows of the Civil War soldiers where matrimony was contracted between them and the soldiers since 1890—legislation to take effect at a period following that date such as will be fair and liberal to the large body of persons so interested should be enacted. I would not favor classifying the recipients of that bounty so that fraud might be perpetrated upon this Government. But a bill could be passed and should be passed which would give the widows who contracted matrimony with soldiers between 1890 and 1900, and even later, the benefit of the widows' pension law, which is denied them at the present time. [Applause.]

Mr. Chairman, the amendment to which I have mainly addressed myself has come up for consideration at various sessions of Congress. It will come up for a vote now, and I trust that the same firm, patriotic stand will be taken by the membership of this House that has been taken heretofore, and that we shall not, because of the residence of the recipients of pensions, lose sight of the patriotism which they have displayed. [Applause.]

The CHAIRMAN (Mr. FOWLER). The time of the gentleman has expired.

Mr. HINEBAUGH. I yield 10 minutes to the gentleman from North Dakota [Mr. Young].

Mr. YOUNG of North Dakota. Mr. Chairman, a bill has been introduced into the Legislature of North Dakota providing that the prescriptions of all physicians shall be written in English. I presume there was a time when such a law might have been necessary. There was a time when the standards of ethics in the medical profession were not as high as they are now. Even the younger men here can remember when the doctor handed out a prescription in a mysterious way, containing the words "hydrocarbonate" and "aqua pura," meaning sugar and water. Or perhaps the prescription included the words "magnesium sulphate," which is high brow for epsom salts.

At that time we had a great many more quacks in the medical profession than we have now. I have a profound respect and admiration for the medical profession, and would not want to be understood as criticizing them. No one, however, despises a quack more than does an honest practitioner. A quack has been defined in the Century Dictionary as follows:

One who make vain and loud protestations; one who pretends to skill or knowledge of any kind which he does not possess; an impudent and fraudulent pretender to medical skill.

To tamper with dishonestly; to use fraudulently.

Well, Mr. Chairman, there are quacks outside of the medical profession. Perhaps the best illustration is found in the people who do the grading of grain, who are responsible for the grading system of the State of Minnesota.

Ten years ago I was serving in the Legislature of North Dakota. Shortly previous to that the wheat crop across the line, in Canada, was supposed to have been very seriously damaged. A snowstorm came during the early part of September, 1903, and was supposed to have done very great damage to the quality of the wheat that was raised there, to such an extent that while the wheat was being marketed those who sold it were docked 10 cents per bushel. It was called "shock frozen." Afterwards chemists examined this grain; that is to say, after the grain had gotten out of the country, the results of the experiments became known, and it was found that this frozen wheat which they had graded as No. 3 northern made more bread, and of just as good quality, as No. 1 hard. That bulletin was sent to me by a constituent, Mr. Wylie Nielson, while the legislature was in session, and as a result I introduced a bill providing that at the agricultural college there should be chemical tests made of wheat and baking tests of flour to determine the real intrinsic value of the wheats which were grown in our State.

After much opposition the bill was finally passed. The bill, which I shall not stop to read, but insert in the RECORD, if there

is no objection, made it the duty of the agricultural college, at Fargo, to make chemical tests of wheat and baking tests of flour, and to publish in bulletins the result of the tests. A copy of the bill follows:

CHAPTER 113—LAWS OF NORTH DAKOTA—1903.
(S. B. 163—George M. Young.)

An act to provide for the making of tests of wheat and flour to determine the comparative milling values of the different grades of wheat.

Be it enacted by the Legislative Assembly of the State of North Dakota: It shall be the duty of the North Dakota Government Agricultural Experiment Station to conduct experiments and determine the comparative milling values of the different grades of wheat and baking tests of the flour made therefrom. A record shall be kept and published of the different grades of wheat received and by whom graded, the name of the person from whom received, with address, the nature of the soil, previous cropping, and number of years which the land has been cropped, unless it appears that the wheat tested has been received from a dealer and consists of blended or mixed wheat, in which case the record shall so state. The result of the chemical analysis of each sample shall be kept, which shall show the total weight of the sample, total weight of flour, total weight of feed, total weight recovered and per cent of flour, also data as to the moisture and proteids in the different grades of wheat, and analysis of the flour made from the different grades of wheat, and the yield and quality of bread made from the different grades of wheat. In addition to such information it shall be the duty of the said North Dakota Government Agricultural Experiment Station to obtain, tabulate, and publish such other and further information in relation to the comparative values of the different grades of wheat and flour made therefrom as shall be of value to the wheat growers of this State.

The experiments made under this law were conducted by Dr. E. F. Ladd, one of the greatest chemists in the United States; one who has been called to Washington frequently in consultation; and in Bulletin No. 14, issued in January, 1915, the results of certain investigations made last year are set forth. It will not be possible to read this report fully, or even to give all the figures contained in the tables, but I think it is well worth while to anyone who is interested either in selling wheat or in buying bread, wherever he lives in the United States, to examine these tables. Their significance can not be appreciated from a mere reading, but a study of them will show that as a matter of fact there is not any very great difference in the milling value of wheats that are graded No. 1 northern, No. 2 northern, No. 3 northern, No. 4 northern, and rejected, although, as everybody knows, these numbers make a tremendous difference when a man has any wheat to sell. And it is of interest to every man who buys bread, or buys flour, because the middleman's profit is made excessively large by reason of this supposed difference in the actual value of the grades, as shown by the Minnesota grading system, but which does not exist, as shown by these experiments with the actual wheat itself.

I will say that at the agricultural college at Fargo they have a complete flour milling plant, from which the flour is made, and a laboratory that is very complete, in which these experiments are made.

Does the producer receive a fair price for all grades of wheat, asks Dr. Ladd.

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

Mr. YOUNG of North Dakota. Certainly.

Mr. PLATT. Do these experiments with regard to the bread-making value of these different wheats show the value per bushel of the different grades of wheat, or per pound, or on what are they based?

Mr. YOUNG of North Dakota. The tables are given first on the basis of bushels and then afterwards in other figures to make it easier to carry in the mind on the basis of 100 pounds.

Mr. PLATT. Does the gentleman mean to say that there is very little difference between No. 1 hard and No. 4 wheat per pound as to their value for bread making?

Mr. YOUNG of North Dakota. That is precisely what I claim, and that is precisely what is demonstrated in this bulletin.

Mr. PLATT. Do not the poorer grades of wheat contain more weeds or something else that makes them grade low? Or what is the basis?

Mr. YOUNG of North Dakota. Yes; that is an element that should be considered, and it is considered in this bulletin. Dr. Ladd, in determining the value of the wheat, attempts to show how much flour it will make and shows exactly what the by-products are and what their value is in the market and what the entire value of the wheat is on account of its content of flour, bran, shorts, and even the value of the screenings.

Mr. MURDOCK. The gentleman is quoting Prof. Ladd?

Mr. YOUNG of North Dakota. Yes; I am quoting Dr. E. F. Ladd. To show the basis of the calculation of Dr. Ladd, permit me to read a few lines from the report:

Results from five different grades of wheat have been studied, namely, Nos. 1, 2, 3, and 4 northern and rejected grades. Ten samples of each of these have been received from the crop of 1914, except

No. 1 northern, of which only four samples were received, and our conclusions are based on the average of each of these 10 samples, which confirm the findings of previous years.

In other words, this bulletin confirms experiments made in former years by Dr. Ladd.

The CHAIRMAN (Mr. CLINE). The time of the gentleman has expired.

Mr. HINEBAUGH. I yield to the gentleman 10 minutes more.

Mr. YOUNG of North Dakota. Dr. Ladd continues:

A comparative study of the data presented for the several grades show that there is practically no difference in the money value for the higher as compared with the lower grades. The wheat buyer, however, will raise several objections. He will immediately call attention to the weight per bushel and the small per cent flour produced by the light-weight wheat. He might also mention the color score for the baked product. The grounds for this objection appear to be sound, and the majority of wheat buyers would make the same objections—their reasons being based upon previous experience and the requirements of grade which have been established under conditions not now existing. For this reason the rule has been generally accepted until it has become firmly established and has given us our present system for the grading of wheats.

Now, coming to his first table in which he gives certain results of the grades 1, 2, 3, and 4 northern, and rejected, which is a separate grade, I want to read a few of those results. As to the milling tests the percentage of flour in No. 1 northern is 67; No. 2, 67; No. 3, 68; No. 4, 63; and rejected, 63 per cent.

Mr. MURDOCK. That is of flour content?

Mr. YOUNG of North Dakota. Yes. Now, then, as to bran. In No. 1 northern, it is 16 per cent; No. 2 northern, 16½ per cent; No. 3 northern, 17½ per cent; No. 4 northern, 18 per cent. The figures are quoted in round numbers. Rejected, 18.64. In other words, the rejected produces more bran than No. 1 northern, and the same is also true of No. 4 northern and No. 3 northern.

Now, as to the contents of shorts. No. 1 northern, 15.32; No. 2 northern, 14.69; No. 3 northern, 14; No. 4 northern, 18.83; rejected, 17.34.

Now, as to water absorption. The bakers who buy flour always want a flour that will be capable of large absorption; that is one of the points that a buyer of flour to be made into bread and sold commercially always takes into account.

Absorption of No. 1 northern is 58.87; No. 2 northern, 56.31; No. 3 northern, 59.91; No. 4 northern, 59.22; rejected, 58.98.

You will see from these figures that the water absorption of No. 4 northern and rejected is greater than in the higher grades.

Now, as to the volume of the loaf. It will be seen by figures that I am going to read that the lower grades are superior in that respect: No. 1 northern, 2451; No. 2 northern, 2425; No. 3 northern, 2514; No. 4 northern, 2600; rejected, 2885.

It will be seen in the size of the loaf the so-called lower grades of wheat—and I put the accent on the word "so-called"—produce a larger loaf than the so-called higher grades.

Mr. MURDOCK. Will the gentleman yield?

Mr. YOUNG of North Dakota. Yes.

Mr. MURDOCK. In these baking tests which the gentleman is giving, does not the matter of nutriment enter into it largely; is not that an essential part of the test outside of the volume of the loaf?

Mr. YOUNG of North Dakota. That is gotten by taking into account the gluten and the proteids, and so forth. Those matters are all given consideration by Dr. Ladd.

Mr. MURDOCK. Does he find that the amount of nutriment in the low grades of wheat is perceptibly less than in the higher grades of wheat?

Mr. YOUNG of North Dakota. No; he says not. In this bulletin the results of his experiments are not given in detail, but in a former bulletin he goes into that question very thoroughly.

Mr. MURDOCK. I want to say that there is no greater mystery in the world than this mystery of bread. The Minneapolis mills take Canadian and Minnesota wheat and mix it with Kansas wheat and claim that it makes a better baking test than wheat of one variety.

Mr. YOUNG of North Dakota. Dr. Ladd would agree with them in that. This bulletin shows that by the admixture of a hard wheat with a soft wheat a better bread is produced.

Following this table further as to the color, No. 1 northern is quoted at 100; No. 2 northern, 96.04. This is as to color.

Mr. NORTON. The color of the wheat or the flour?

Mr. YOUNG of North Dakota. The color of the bread. They do not make flour from bran, and that is the only thing that a man can see with the naked eye when he looks at wheat. No. 3 northern, 94.02; No. 4 northern, 95; rejected, 94.5. There is a slight difference in these percentages, but very little, as between No. 1 northern and rejected.

But it must be borne in mind that with the bakers the lower limit of the standard as to color is 88, and all of these grades, even the rejected grades, produce flour that is considerably above 88. The rejected shows up in this test at 94.5. The bulletin gives valuable information as to the value of the mill products, giving the market quotations for bran, standard middlings, flour middlings, and screenings. Then the calculation is carried further to show the value of the wheat and mill products for the several grades. It gives the value of the flour and the bran and the shorts and the screenings, and the results of this second table, which I will put in the RECORD, show that the value per 100 pounds of No. 1 northern was \$2.28; No. 2 northern, \$2.27; No. 3 northern, \$2.34; No. 4 northern, \$2.31; rejected, \$2.31.

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

Mr. YOUNG of North Dakota. Yes.

Mr. PLATT. It seems to me that the gentleman has proved, if he has proved anything, that it is not worth while to grade wheat at all. Does the gentleman maintain that?

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. HINEBAUGH. Mr. Chairman, I yield the gentleman five minutes more.

Mr. YOUNG of North Dakota. Mr. Chairman, I think it would be much fairer to the farmer and very much fairer to the average flour mill that buys wheat if there was no grading of the wheat at all. That is the chief cause, it seems to me, of all this manipulation by which the middleman is getting an excessive profit.

Mr. PLATT. And the gentleman actually contends that No. 1 northern is not any better wheat than rejected wheat?

Mr. YOUNG of North Dakota. I commend the gentleman to a careful study of this bulletin prepared by Dr. Ladd, who is not only a great chemist but a man of integrity and honesty.

Mr. PLATT. If that is true, then there is no reason for giving any attention to improving the quality of wheat at all.

Mr. YOUNG of North Dakota. Certainly there is.

Mr. PLATT. That can hardly be true. I think the gentleman is proving too much.

Mr. YOUNG of North Dakota. I think it is important to always raise the best quality of wheat.

Mr. PLATT. But the gentleman says there is no difference in the quality.

Mr. YOUNG of North Dakota. If the Government grades wheat this year and next year and from year to year, the standard of value of the wheat, based upon its value for making flour and the value of its by-products, would have to be determined by the Government, and if the quality of wheat were gradually on the increase from year to year, the Government would naturally take that into account. The purpose of grading it seems to me would be to simply state what the different grades of wheat are, where there is any real difference, and it would not be to create a lot of grades to represent a lot of imaginary differences such as are now in operation in Minnesota, but just have enough grades to represent what the real differences are, so that when the flour mill buys it, or when anyone buys it, to make into flour, he will know what he is getting, and the farmer who raises it will know what he is selling.

Mr. PLATT. Is it not a fact that No. 1 hard and No. 1 northern will make more flour at a less cost than any other grade?

Mr. YOUNG of North Dakota. That is not the fact. I commend again the gentleman to a careful study of this bulletin, which clearly demonstrates that it is not a fact.

This analysis also attempts to show what it has cost the farmers in our State for the crop of 1914, because of this manipulation, and it runs into the millions. Of course, Dr. Ladd does not attempt to show what it costs as applied to the entire wheat crop of the United States. I think this is a subject to which Congress ought to give its attention, because I think it concerns every man who has a bushel of wheat to sell and every man who buys a loaf of bread. It is not a sectional question. It is not a question that is of interest only to the people of the Northwest.

Mr. KINDEL. Have you no terminals in your State which would give you a way of controlling the wheat?

Mr. YOUNG of North Dakota. We have no terminals in North Dakota. That is one of the difficulties with us. We can not reach the situation by legislation in North Dakota, because our wheat is naturally graded at the place where it is emptied into the boats or where it reaches the big mills where it is ground into flour.

Mr. Chairman, the reading of this bulletin stirs the blood. It makes one feel like arming himself with a gun when he heads

toward the elevator with a load of wheat. That is not the thing to do. There is no use and no justice in shooting the local wheat buyer. He is not responsible for grades fixed by the Minnesota authorities. It is the Minnesota grading system which we must fight, and that can not be done by State laws. The North Dakota Legislature can not change such grading laws, nor can the legislatures of South Dakota, Ohio, nor New York. The State legislatures are helpless to cope with this phase of the marketing problem. So it is the plain duty of Congress to enact a national grain-grading law.

Who gets the enormous toll disclosed by the figures of Dr. Ladd's bulletin? The time allotted to me will not permit me to go into that feature of this subject. The big fact which stands out is that somewhere in the middle a large slice is appropriated and that the farmers and consumers both suffer. The farmer wants what his wheat is really worth. The flour millers, taken as a whole, without stopping to consider exceptions, want the wheat as near as may be as it leaves the farm without mixing or juggling of grades. The cost of the wheat to him is passed on to the consumer. He wants honest wheat and prefers to buy it under a grade which will mean something. In a great trade, such as this is, which might be carried on honorably and profitably by the two classes mentioned, it has been a matter of great surprise that the people of and general business interests of the great terminal centers have sided with the grain quacks as against the farmers, and that too, in spite of the fact that their very existence depends upon their general trade with the same farmers and their success is measured by the success of the farmers.

John McCutcheon told a good story a couple of years ago which at least reminds one of the Minnesota grain-grading quacks. It was about a band of highwaymen who had operated so long and so successfully that they became very bold. They plundered the people right and left and when the poor victims cried out in helpless despair the robbers uttered peal after peal of mocking laughter. (Pronounced softer.) So powerful did the band become that they controlled by secret and sinister means the very Government itself, and thus enjoyed great prosperity. Some of the prosperity was distributed to quiet the people, but of course the robbers kept most of it themselves. When they pounced upon a hapless wayfarer the poor man would meekly yield because of his helplessness before such powerful enemies. He would raise his eyes in despair and sigh, "Let me have the sacks back." The sentiment of the people became very bitter, but what could they do? They could not express themselves except in helpless fury. But one fine day in June a determined farmer of stout heart walked down the highway toward the place where the robbers assembled, and when the latter perceived him they nearly split their sides laughing. They leaped upon him with loud shouts of merriment. They robbed him in broad daylight, so bold had they become. But to their surprise the victim, instead of submissively yielding as all the others had done, at once began to put up a mighty fight. He fought so vigorously that the robbers were quite taken aback. "What is this?" they gasped. "Who is this brash person who dares fight back?"

In the meantime the noise of the fight had attracted a great crowd of people who came rushing up and were muttering angry threats against them. "What do you think of this?" exclaimed the robbers, appealing to the crowd. "Here we were robbing and beating this person and he is setting up an awful roar. He's a poor loser. He's a poor sport. Why doesn't he take his medicine like a man instead of squealing? When a man gets robbed he ought to be a graceful loser and acknowledge that he has lost."

In other words, it is not good form to make an outcry when your substance is being taken.

There is a lesson, and perhaps a prophecy in this. The farmers have become aroused. They are alive to their interests, and they have stout, resolute hearts. They know that they are being victimized, and they know we can help them by national legislation. They are organizing. They mean business. But best of all the consumers of wheat products are waking up to the fact that they have been and are being held up. In the past the demand for a national grain-grading law, for that is our only relief, has been considered a sectional question, one of interest to a few grain-raising areas. That is far from true. It is of interest to every man, woman, and child in our great Nation. It concerns vitally every man who raises a bushel of wheat and every man who buys a loaf of bread. The poor factory worker who has difficulty in making his pay check cover the actual needs of his family, and the farmer, whose work is never done and whose problems are real and burdensome, excepting to the writer of poetry, have a like interest and should make common cause against State grain-inspection systems. They should work unitedly for a national grading law.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HINEBAUGH. I yield the gentleman one minute.

Mr. YOUNG of North Dakota. This question concerns too many people to be lightly brushed aside. It must be settled, and it must be settled mighty soon. The farmers want it settled. The consumers want it settled. It is to the real interest of the flour millers that it should be settled. Commercial organizations in terminal cities, if they have breadth of view, should look to the welfare of the farming constituency, from whom their merchants and bankers draw custom, and take a stand for them rather than for the swollen profits of a comparative few. The time is coming when the farmers and the country merchants will deal only with those cities which will practice the golden rule. The time is coming, and I hope it will arrive quickly, when the flour manufacturers will cry loudly for relief from the monopolists who thrive under State grain-inspection systems. Perhaps it is too much to hope that these commercial bodies and the flour millers will see their permanent advantage, as well as duty, of standing by the wheat producers and flour consumers. If they do not, then let the struggle go on, anyway. Let the mighty army of farmers on one side and the city consumers on the other fight for this legislation and give no quarter to those who stand between, such as commercial organizations, that ought to know better. That kind of fight should win. That kind of fight will win. [Applause.]

Mr. Chairman, I ask for permission to print Dr. Ladd's bulletin in full.

The CHAIRMAN. Is there objection? The Chair hears none. The bulletin is as follows:

[North Dakota Agricultural Experiment Station, Agricultural College, N. Dak. Special bulletin, food department. Volume III. January, 1915. No. 14. E. F. Ladd, commissioner.]

IS THE PRESENT SYSTEM OF GRADING WHEAT EQUITABLE?

[By E. F. Ladd.]

NOTE.—This article contains data gathered at the "Joint cooperative work of the experiment station and the Office of Grain Standardization of the United States Department of Agriculture."

Does the producer receive a fair price for all grades of wheat? This question has been repeatedly asked, and in comparing the different types and grades of wheat coming under observation one has been forced to take note of this question in previous years, but never before has the question been so forcibly presented as with the 1914 crop.

From the data before us it seems safe to answer the question that the present system of grading wheat is unfair and that the purchaser does not get an adequate price for the so-called lower grades of wheat. If this be true, what is the reason for such a condition? Our present system of grading wheat is one of gradual evolution; one change after another has been added; and perhaps when a change was made in the classification for grading there existed sufficient reason for making such changes. When some of these changes were made the prices for mill products, feeds, etc., were relatively low as compared with what they are to-day. Other products were scarcely utilized, but to-day conditions are changed and each product has its market value, and should be considered in the adjustment of grades.

This is not wholly a new question. Other investigators have previously considered the same point. Saunders (Canadian Exp. Farm Bulletin No. 50) and Shutt state that "millers could pay relatively higher prices for the intermediate grades of wheat"; that is, the grades between No. 1 northern and the wheat that is so badly damaged as to render it fit only for feeding purposes.

Wilson (S. D. Exp. Station Bulletin No. 90) and Skinner show results with feeding experiments on hogs with wheat that weighed 44 pounds per bushel and 57 pounds per bushel. Their conclusion is that there are but 6 cents per bushel difference in feeding value between the two; that is, in favor of the heavyweight wheat.

Harcourt¹ gives as his opinion that there is very little difference in the real value of the different grades of wheat, and similar conclusions are arrived at in his studies of the comparative values of the different grades of wheat for 1903 and 1904.

If we study the data presented by other investigators who have laid no stress on this matter, we find their figures confirm the same conclusion.

Results from five different grades of wheat have been studied, namely, Nos. 1, 2, 3, and 4 northern and rejected grades. Ten samples of each of these have been received from the crop of 1914, except No. 1 northern, of which only 4 samples were received, and our conclusions are based on the average of each of these 10 samples, which confirm the findings of previous years. A comparative study of the data presented for the several grades shows that there is practically no difference in the money value for the higher as compared with the lower grades. The wheat buyer, however, will raise several objections. He will immediately call attention to the weight per bushel and the small per cent flour produced by the light-weight wheat. He might also mention the color score for the baked product. The grounds for his objection appear to be sound, and the majority of wheat buyers would make the same objections—their reasons being based upon previous experience and the requirements of grade which have been established under conditions not now existing. For this reason the rule has been generally accepted until it has become firmly established, and has given us our present system for the grading of wheats.

The rules generally followed are those issued by the Minnesota grain inspection department, and being governed by these rules our classification has been made on the same basis, and if there is any criticism it is that possibly we have given the highest possible grade to each wheat. The weight per bushel as given before cleaning is the weight as shown by a standard chronometer as the wheat was received, and the weight after cleaning was taken when the wheat had been cleaned over separators and scoured twice before tempering. This latter weight would show at least 1 pound, on the average, more than if cleaned by the methods usually employed by inspection departments. If we con-

sider only the question of the low per cent of flour obtained, the objection appears quite reasonable, but this is an unfair comparison, and the value of all the mill products should be taken into consideration, as has been done in the preparation of this report.

The third objection of the wheat buyer, with regard to the color score, is not as great as would seem to be on first consideration. The color score as used here is fully up to the standard for the Minneapolis patent flour as tested in the commercial laboratories. The results from all these straight flours are well within the class of the Minneapolis standard patents in color, and when we consider all the other factors shown by the baking test, the texture, volume, etc., the bread from Nos. 3, 4, and rejected wheats are found to be superior to the bread produced from the flours of the Nos. 1 and 2 northern wheats. These facts are substantiated in the data which is presented.

With the foregoing conclusions accepted, as based on actual tests, the problem then resolves itself into one of simple mathematics. The true value of the different grades, computed according to the value of the different milling products obtained from each, will furnish the desired information.

Now let us see what the findings are for the milling and baking tests for the several grades of wheat, as shown by the average for all the samples tested, 10 in each grade, except for No. 1 northern, where only 4 samples have been received this year.

| Grade of wheat. | Weight per bushel. | | Milling tests. | | | | | Baking tests. | | |
|-----------------|--------------------|-----------------|----------------------------|-----------------|----------------|------------------|---------------------------|---------------------------|-----------------------|------------------|
| | Before cleaning. | After cleaning. | Per cent loss in cleaning. | Per cent flour. | Per cent bran. | Per cent shorts. | Per cent loss in milling. | Water absorbed, per cent. | Volume of loaf, c. c. | Color, per cent. |
| No. 1 N..... | 57.75 | 61.12 | 2.51 | 67.33 | 16.30 | 15.32 | 1.05 | 58.87 | 2,451 | 100 |
| No. 2 N..... | 55.8 | 59.10 | 3.72 | 67.02 | 16.68 | 14.69 | 1.61 | 56.31 | 2,425 | 96.4 |
| No. 3 N..... | 51.85 | 55.95 | 6.14 | 68.15 | 17.62 | 14.10 | .13 | 59.91 | 2,514 | 94.2 |
| No. 4 N..... | 45.65 | 52.55 | 12.21 | 63.22 | 17.98 | 18.83 | .03 | 59.22 | 2,000 | 95 |
| Rejected..... | 41.95 | 50.85 | 13.96 | 63.68 | 18.64 | 17.34 | .34 | 58.98 | 2,685 | 94.5 |

From the data in table No. 1 it will be observed that in the baking tests the texture for Nos. 1 and 2 averages below that for the other three grades, considerably below the rejected even. In color Nos. 1 and 2 northern show somewhat better than the other three, but even here the rejected comes well above the lower limits for second patents, which is placed at 88 in the commercial laboratories. In volume of loaf the three lower grades are much superior to bread produced from Nos. 1 and 2 northern, the flour from the rejected making the largest volume.

The market prices for the various mill products are taken from the Northwestern Miller of Minneapolis, under date of December 9, 1914, where we find the following quotations:

| | |
|--|------------------|
| Second patent (straight) per barrel..... | \$5.45 to \$5.85 |
| Bran, per ton..... | 20.25 to 21.00 |
| Standard middlings..... | 20.50 to 21.00 |
| Flour middlings..... | 26.00 to 28.00 |
| Red Dog..... | 30.00 to 30.50 |
| Mill screenings..... | 12.00 to 14.00 |

The average for straight flour is, therefore, \$5.65 per barrel of 196 pounds, or 2.88 cents per pound.

Mill products, in our case, have not been divided into just the same classes as quoted above; but for convenience, and that our figures may be low rather than high, we take the following:

| |
|---|
| Flour, per barrel, \$5.65; per pound, 2.88 cents. |
| Bran, per ton, \$20; per pound, 1 cent. |
| Shorts, per ton, \$25; per pound, 1.25 cents. |
| Mill screenings, per ton, \$12; per pound, 0.60 cent. |

Or, to state these figures in another way, the market price for 100 pounds would be as follows:

| | |
|---------------------|--------|
| Straight flour..... | \$2.88 |
| Bran..... | 1.00 |
| Shorts..... | 1.25 |
| Screenings..... | .60 |

The foregoing will, therefore, serve as a basis for our conclusions. In the same publication will be found the market quotation for eight days, the average being as follows:

| | Per bushel. | Per 100 pounds. |
|---------------------|-------------|-----------------|
| No. 1 northern..... | \$1.17 | \$1.95 |
| No. 2 northern..... | 1.143 | 1.905 |
| No. 3 northern..... | 1.115 | 1.858 |
| No. 4 northern..... | 1.073 | 1.789 |
| Rejected..... | 1.048 | 1.746 |

We may bring our data into a table for easier comparison, showing the value of the wheat and mill products for the several grades, as follows:

| | Grades of wheat—average. | | | | |
|---|--------------------------|---------|---------|---------|-----------|
| | 1 N. | 2 N. | 3 N. | 4 N. | Rejected. |
| Average cost per bushel..... | \$1.170 | \$1.143 | \$1.115 | \$1.073 | \$1.048 |
| Cost per 100 pounds wheat..... | \$1.950 | \$1.905 | \$1.858 | \$1.789 | \$1.746 |
| Pounds of product per 100 pounds wheat: | | | | | |
| Flour..... | 67.33 | 67.02 | 68.15 | 63.22 | 63.68 |
| Bran..... | 16.30 | 16.68 | 17.62 | 17.98 | 18.64 |
| Shorts..... | 15.32 | 14.69 | 14.10 | 18.83 | 17.34 |
| Total recovered..... | 98.95 | 98.39 | 99.37 | 100.03 | 99.66 |
| Milling loss (pounds)..... | 1.05 | 1.61 | 0.13 | +0.25 | 0.34 |

¹ Annual Report Ontario A. C. and Exp. Farm No. 30, 1904, and No. 31, 1905.

| | Grades of wheat—average. | | | | |
|-----------------------------------|--------------------------|----------|----------|-----------|-----------|
| | 1 N. | 2 N. | 3 N. | 4 N. | Rejected. |
| Amount net from 100 pounds wheat: | | | | | |
| Flour..... | \$1.9391 | \$1.9301 | \$1.9627 | \$1.8207 | \$1.8339 |
| Bran..... | \$0.1630 | \$0.1668 | \$0.1762 | \$0.1798 | \$0.1804 |
| Shorts..... | \$0.1915 | \$0.1836 | \$0.1762 | \$0.2353 | \$0.2167 |
| Screenings..... | \$0.01506 | \$0.0223 | \$0.0368 | \$0.0732 | \$0.0837 |
| Total value..... | \$2.3087 | \$2.3028 | \$2.3519 | \$2.3090 | \$2.3147 |
| Loss or gain in milling..... | \$0.02475 | \$0.0306 | \$0.0024 | +\$0.0004 | \$0.0059 |
| Net returns..... | \$2.28391 | \$2.2722 | \$2.3495 | \$2.3094 | \$2.3148 |

The above gives the figures for the several grades in easy form for comparison, but they may be summarized to show the amount of increase in value for each 100 pounds of wheat and the mill products therefrom, as follows:

| | No. 1 northern. | No. 2 northern. | No. 3 northern. | No. 4 northern. | Rejected. |
|---------------------------|-----------------|-----------------|-----------------|-----------------|-----------|
| Cost per 100 pounds..... | \$1.950 | \$1.905 | \$1.858 | \$1.789 | \$1.746 |
| Receipts..... | 2.28391 | 2.2722 | 2.3495 | 2.3094 | 2.3148 |
| Increase per 100 pounds.. | .33391 | .3672 | .4915 | .5204 | .5688 |

It will be observed from the above that for each 100 pounds of wheat the returns above the original cost are as follows:

| | Net receipts. |
|---------------------|---------------|
| No. 1 northern..... | \$0.33391 |
| No. 2 northern..... | .3672 |
| No. 3 northern..... | .4915 |
| No. 4 northern..... | .5204 |
| Rejected..... | .5688 |

The returns, therefore, for the rejected, or for Nos. 3, 4, and rejected, are considerably better than the returns for grades Nos. 1 and 2 of hard spring wheats.

We assume that the average profit on the grades for hard spring wheat, Nos. 1 and 2 northern, is enough to cover the charges of manufacture and the profit for the manufacturer, because grade No. 2 northern is generally accepted on contract.

On the same page of the same journal is to be found the quotations of receipts by car lots at Minneapolis for the several grades of wheat for the week ending Saturday. The receipts by cars were as follows:

| Grade. | Cars received. | | | | Per cent of different grades received for week ending— | | | |
|---------------------|----------------|----------|---------------|---------------|--|----------|---------------|---------------|
| | Dec. 5. | Nov. 28. | Dec. 6, 1913. | Dec. 7, 1912. | Dec. 5. | Nov. 28. | Dec. 6, 1913. | Dec. 7, 1912. |
| No. 1 northern..... | 506 | 381 | 801 | 1,424 | 24.57 | 20.78 | 65.90 | 46.75 |
| No. 2 northern..... | 480 | 448 | 292 | 1,251 | 23.30 | 24.40 | 24.05 | 41.07 |
| No. 3 northern..... | 587 | 564 | 105 | 279 | 28.49 | 30.70 | 8.65 | 9.16 |
| No. 4 northern..... | 417 | 360 | | | 20.25 | 19.60 | | |
| Rejected..... | 70 | 83 | 17 | 92 | 3.39 | 4.52 | 1.40 | 3.02 |
| Total cars..... | 2,060 | 1,836 | 1,215 | 3,046 | 100 | 100 | 100 | 100 |

If we assume that each car contained on an average 1,000 bushels, then the following table shows the number of bushels of wheat, price per bushel, and the amount that will be paid for the several grades for the week ending December 5, 1914.

| | Number of bushels. | Price per bushel. | Amount paid. |
|---------------------|--------------------|-------------------|--------------|
| No. 1 northern..... | 506,000 | \$1.17 | \$592,020.00 |
| No. 2 northern..... | 480,000 | 1.143 | 548,640.00 |
| No. 3 northern..... | 587,000 | 1.115 | 654,505.00 |
| No. 4 northern..... | 417,000 | 1.073 | 447,441.00 |
| Rejected..... | 70,000 | 1.048 | 73,360.00 |
| Total..... | 2,060,000 | | 2,315,966.00 |

The following table shows the amount that would have been received for the products manufactured from each of these grades of wheat, excluding the screenings, together with the profit thereon:

| | Amount per bushel. | Amount received. | Per cent profit. |
|---------------------|--------------------|------------------|------------------|
| No. 1 northern..... | \$1.3613 | \$688,817.80 | 16.27 |
| No. 2 northern..... | 1.3499 | 647,952.00 | 18.01 |
| No. 3 northern..... | 1.3876 | 814,521.20 | 24.44 |
| No. 4 northern..... | 1.3417 | 559,488.90 | 25.04 |
| Rejected..... | 1.3386 | 93,702.00 | 27.73 |
| Total..... | | 2,804,481.90 | |

As showing what would be received for the same wheat, and the profit thereon, including the screenings which now have a market value, we present the following summary for the same samples:

| | Amount per bushel. | Amount received. | Per cent profit. |
|---------------------|--------------------|------------------|------------------|
| No. 1 northern..... | \$1.3703 | \$693,371.80 | 17.12 |
| No. 2 northern..... | 1.3633 | 654,384.00 | 19.27 |
| No. 3 northern..... | 1.4097 | 827,493.90 | 26.43 |
| No. 4 northern..... | 1.3856 | 577,795.20 | 29.13 |
| Rejected..... | 1.3789 | 96,523.00 | 31.47 |
| Total..... | | 2,849,567.90 | |

The average profit therefore for grades Nos. 1 and 2 northern, excluding the screenings, would be 17.14 per cent. If we include the screenings, then the profit on Nos. 1 and 2 northern would be 18.19 per cent, whereas the profit on the other grades ranges from 26.43 per cent to 31.47 per cent. The loss therefore to the farmer on this basis would be, without the screenings, \$91,459.33, or, including the screenings, \$136,645.33—this on the report for a single week in one market. The range for other quotations for the several weeks is even far greater than indicated above.

In the same manner we might take the figures for each of the weeks and show the loss to the producer by the present method of grading wheat. If we assume that the crop, in round figures, would amount to \$1,500,000, and that the entire crop would grade as shown from the calculated results of the data herewith given, we should have as follows:

| | Per cent. |
|---------------------|-----------|
| No. 1 northern..... | 24.57 |
| No. 2 northern..... | 23.30 |
| No. 3 northern..... | 28.49 |
| No. 4 northern..... | 20.25 |
| Rejected..... | 3.39 |

Calculating in the same manner as in the preceding tables, and we have as the value for the 1914 crop, assuming the same per cents, as follows:

| | Number of bushels. | Price paid. | Amount paid. |
|---------------------|--------------------|-------------|-----------------|
| No. 1 northern..... | 20,024,550 | \$1.17 | \$23,428,723.50 |
| No. 2 northern..... | 18,989,500 | 1.143 | 21,704,998.50 |
| No. 3 northern..... | 23,219,350 | 1.115 | 25,908,575.25 |
| No. 4 northern..... | 16,503,750 | 1.073 | 17,708,523.75 |
| Rejected..... | 2,762,850 | 1.048 | 2,894,466.80 |
| Total..... | 81,500,000 | | 91,735,287.80 |

In the same manner the amount received for the wheat without screenings and with screenings is shown as follows:

| | Without screenings. | Including screenings. |
|---------------------|---------------------|-----------------------|
| No. 1 northern..... | \$27,253,412.55 | \$27,439,640.86 |
| No. 2 northern..... | 25,633,926.05 | 25,880,385.35 |
| No. 3 northern..... | 32,219,170.06 | 32,732,317.69 |
| No. 4 northern..... | 22,143,081.37 | 22,867,326.00 |
| Rejected..... | 3,697,751.01 | 3,837,732.36 |
| Total..... | 110,947,341.04 | 112,765,262.27 |

The amount of profit in milling grades Nos. 1 and 2 northern was 17.18 per cent. On the basis as above given, therefore, Nos. 3, 4, and rejected wheat should have netted the producer, excluding the screenings, an additional \$3,453,477; or, including the screenings, the additional value for these lower grades above that which was received for the same would be \$5,271,398.23. If our figures are correct—and they are based on actual experiments and bear out the claims made by the other investigators already referred to—then the present system of grading wheat would appear to be antiquated; perhaps adequate for a time when mill products sold at from \$8 to \$10 per ton and the weight per bushel as now graded was first established. The advance in price of mill feed since that time has made no difference in the weight per bushel regarding grade of wheat. Consequently at the present time the method employed in grading and buying wheat does not seem to be as equitable as it was before there were any grades and wheat was just wheat, without any classification.

A large amount of additional data bearing on these questions will be found in part 3 of the twenty-third annual report of the food commissioner for 1912, page 391, tables 43 and 44, where there is shown the average grades for a period of four years.

In the milling of light-weight wheat, of course, there would, in the mills that are short on bolting surface, be reduced somewhat the capacity and a slight allowance might there be required. For the average mill, however, the difference would be very little, and, on the whole, would not amount to 1 per cent of the total cost of raw material. Even admitting that this would amount to as much as 1 per cent, we would still have a balance of \$3,000,000 in favor of the light-weight wheat, and, if we consider the screenings, of over \$5,000,000. The producer of wheat might well look to a saving of some of this enormous sum not only in the lower grades of wheat but for the screenings, and then to this would be added, were we to carefully consider the question, the cost of transportation from the farm to the terminal market; also, if the feed is to be used upon the farm, the item of freight charges back from the terminal market to the farm.

In this report our purpose has been to present the summarized data with regard to the relative value for the several grades of wheat as found in our experimental work, and to point out apparent discrepancies

in the present system of wheat grading. It should also be borne in mind that the commercial mill is able to so blend different types and grades of wheat as to get more favorable end results than could be had in the milling of individual samples of wheat—that is, a rather starchy, soft spring wheat, grading No. 1 northern, would be improved by blending No. 4 and rejected grades of high gluten and large loaf volume, and the quality of all made better thereby.

There are many other problems in connection with wheat studies that need investigation, but lack of funds has prevented our enlarging the scope of work undertaken.

Again, it would be desirable to cooperate with the small mills of North Dakota in a way that might furnish them information with regard to the better utilization of the different grades of wheat produced in the State, thus encouraging the development of the milling industry within the State.

I am indebted to Mr. Sanderson, the miller, for the data gathered and presented in the foregoing article.

VELVET CHAFF AND DURUM WHEATS.

On several occasions we have pointed out the merits of Velvet Chaff and durum wheats as grown in North Dakota. In the past there has been considerable discrimination against these wheats, at times as much as 27 cents per bushel, some of which was due to a lack of knowledge as to how to handle durum in order to secure the best results in milling the same. The fact also that durum has come to be in demand for the manufacture of macaroni and semolina products has insured a better market for the better grades of durum wheats.

It is interesting to note that under date of December 25 the Sharon Reporter quotes the local price for the several wheats on the Sharon market as follows:

| | |
|------------------------|--------|
| No. 1 northern | \$1.12 |
| No. 2 northern | 1.09 |
| No. 3 northern | 1.06 |
| Velvet Chaff | 1.12 |
| No. 1 macaroni (durum) | 1.28 |

It is interesting to note that Velvet Chaff, in this quotation, stands the same as No. 1 northern and that Macaroni tops the prices.

At about the same date Minneapolis quoted the price of durum wheat for exportation at \$1.45 per bushel.

We are just beginning to realize the real value of the durum wheat, and more and more as we understand its properties or come to manufacture in this country the various high-grade macaroni products we shall find the demand for this class of wheat growing, and North Dakota should be able, from the character of its soil and climate, to produce a superior product.

Even though the local quotation is the same for Velvet Chaff as for No. 1 northern, nevertheless Velvet Chaff wheat is at times still being discriminated against at the terminals. The time will come, however, in the near future, in my judgment, when we shall realize the full value of Velvet Chaff wheat as a crop for the farmer and for flour production.

MESSAGE FROM THE SENATE.

The committee informally arose; and Mr. Carr, one of its clerks, announced that the Senate had passed without amendment bills of the following titles:

H. R. 17907. An act granting the consent of Congress to the Interstate Bridge & Terminal Co., of Muscatine, Iowa, to build a bridge across the Mississippi River; and

H. R. 17765. An act to regulate details of majors in the Ordnance Department.

The message also announced that the Vice President had appointed Mr. PAGE and Mr. LANE members of the joint select committee on the part of the Senate as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Navy Department.

PENSION APPROPRIATION BILL.

The committee resumed its session.

Mr. HINEBAUGH. Mr. Chairman, I yield half a minute to the gentleman from Idaho [Mr. FRENCH].

Mr. FRENCH. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD on a bill that I have pending on the woman suffrage question.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. NORTON. Mr. Chairman, it seems to me that there is such a large number of Democrats on the other side, nine in all, that I shall have to raise the point of no quorum. Of course, I realize that a great many of them are going out on the 4th of March in any event—

The CHAIRMAN. Does the gentleman from North Dakota make the point of no quorum?

Mr. NORTON. No; I will not make the point at this time.

Mr. BARTLETT. Mr. Chairman, I yield 10 minutes to the gentleman from Alabama [Mr. HOBSON].

Mr. HOBSON. Mr. Chairman, before I begin I want to ask unanimous consent to make extensions of my remarks in the RECORD?

The CHAIRMAN. The gentleman from Alabama asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. HOBSON. Mr. Chairman, I desire to use the brief time available to discuss our foreign relations, and particularly our relations with the Far East. At this juncture our foreign relations are perhaps in a more critical condition than they

have been for many decades, possibly for more than a century. The importance of those relations is not confined to Europe, the chief theater of war. The most important and critical situation of all is the one in the Far East, as it has developed in the course of this war.

Space is annihilated. The nations of the world must find a way to live together as neighbors. The immediate result of the annihilation of space in the era of militarism has been a rush to arms in five countries. Out of the great war the nations will adjust themselves and find a way by which they can live peaceably as close neighbors.

What applies to nations of the same race, as found close together in Europe, will apply to the great races of the world, and especially to the great yellow race and the great white race. These two great races must find a way by which they can live together peaceably, in harmony with each other and with the world.

China embodies the bulk of the yellow race. In fact, in the Chinese Republic now live approximately one-third of the whole human race. China is the Republic of the yellow race. America is the Republic of the white race. Those two nations have already established between themselves a condition of peculiar friendship and amity. America has interested itself in the welfare of China for various reasons. I will not go over in detail the various disinterested steps that our country has taken which have drawn close the ties that bind us to the great Chinese people. The relations of China to America and to the world are threatened by a violent change of status following the capture by Japan of the German possession or leasehold of Kiaochau and its port of Tsingtau.

Mr. MURDOCK. Will the gentleman yield?

Mr. HOBSON. Certainly.

Mr. MURDOCK. The gentleman speaks of the annihilation of space with relation to the races. Why does not Japan as the ally of England take part with their land forces in the present European war if space has been annihilated?

Mr. HOBSON. Well, I do not think it is a question of space which keeps her from taking part, because there are troops taking part in the European war that have come from longer distances than would be required for the Japanese troops.

Mr. GOODWIN of Arkansas. Will the gentleman yield?

Mr. HOBSON. I yield.

Mr. GOODWIN of Arkansas. As I understand, the alliance between England and Japan is that Japan is not supposed to take any stock in the war only as an adversary of Great Britain might affect Japan in the Far East. In other words, Japanese belligerency is confined to the Occident, and Japan is under no obligation to take stock in the war in Europe.

Mr. HOBSON. Well, my understanding is that the articles of alliance which were made public prescribe military cooperation in the regions of the Far East, but I understand Japan has announced her readiness to send troops to Europe under the obligations of the treaty. Now, this change of status in China by the substitution of Japan for Germany has suddenly opened up the whole far eastern question in a form to affect the very life of the Republic of China, and involves the relations of America to China, and ultimately the relations of the white race and the yellow race.

In 1899 and in 1900 the United States entered into negotiations and exchanged notes with the various nations of the world with a view to coming to a common ground in their attitude toward China. The object was clearly stated by Secretary Hay in a communication to the Chinese Government dated July 3, 1900, as follows:

The policy of the Government of the United States is to seek a solution which may bring about permanent safety and peace to China, preserve Chinese territorial and administrative entity, protect all rights guaranteed to friendly powers by treaty and international law, and safeguard for the world the principle of equal and impartial trade with all ports of the Chinese Empire.

Our Government's efforts were crowned with peculiar success. Definite written agreements were entered into with all the great nations to maintain the open-door policy in China and to respect the integrity and sovereignty of that Empire, it being then an Empire. I will not recite the correspondence here, but for purposes of reference I will put it in my remarks as an extension. The first Government to confirm those articles was Great Britain, then France, Russia was next, and then came Japan, followed by Italy, then Germany. All agreed with our Secretary of State in his attitude and his recommendations. In the case of Japan it is a peculiarly happy note of confirmation, and substantially to this effect:

Viscount Aoki to Mr. Buck: I have the happy duty of assuring your excellency that the Imperial Government will have no hesitation to give their assent to so just and fair a proposal of the United States, provided that all the other powers concerned shall accept the same.

When all the great nations had pledged their acceptance there was established the most unanimous part of international law thus far adopted by the civilized nations of the world, the just and humane principle or doctrine known as the open-door policy in China, which in principle has the same foundation as the other great American policy, the Monroe doctrine, based on respect for the rights of weak peoples and the establishment of equal opportunity for trade.

Mr. GOODWIN of Arkansas. From what is the gentleman reading?

Mr. HOBSON. I am quoting from treaties, conventions, international acts, protocols, and so forth, between United States and other powers, volume 1, Malloy. I will put these in my remarks as an extension.

Now, in 1908 our Government exchanged an identical note with the Government of Japan making more binding the open-door policy. This note had five provisos. It was exchanged between the two on November 30, 1908.

1. It is the wish of the two Governments to encourage the free and peaceful development of their commerce on the Pacific Ocean.

2. The policy of both Governments, uninfluenced by any aggressive tendencies, is directed to the maintenance of the existing status quo in the region above mentioned and to the defense of the principle of equal opportunity for commerce and industry in China.

3. They are accordingly firmly resolved reciprocally to respect the territorial possessions belonging to each other in said region.

4. They are also determined to preserve the common interest of all powers in China by supporting by all pacific means at their disposal the independence and integrity of China and the principle of equal opportunity for commerce and industry of all nations in that Empire.

5. Should any event occur threatening the status quo as above described or the principle of equal opportunity as above defined, it remains for the two Governments to communicate with each other in order to arrive at an understanding as to what measures they may consider it useful to take.

There could be no agreement more specific, more solemn, more binding or sacred to the good faith of the two Governments.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOBSON. Could I have an extension? A good deal of time has been taken by asking me questions.

Mr. BARTLETT. I have no more time to yield.

Mr. HINEBAUGH. I yield to the gentleman five minutes. [Applause.]

Mr. HOBSON. In 1858 the treaty of amity and commerce was negotiated with China, and the first article of the treaty reads as follows:

There shall be, as there have always been, peace and friendship between the United States of America and the Ta Tsing Empire, and between their people, respectively. They shall not insult or oppress each other for any trifling cause, so as to produce an estrangement between them, and if any other nation should act unjustly or oppressively the United States will exert their good offices, on being informed of the case, to bring about an amicable arrangement of the question, thus showing their friendly feelings.

The relationship of our Government to the Chinese Government as established by this article is peculiar and intimate—that of an elder brother holding himself always ready to help in time of trouble. The reliance that the Chinese Government places in us is shown in the following:

CHINESE RELIANCE ON UNITED STATES—CHINESE GOVERNMENT TO UNITED STATES MINISTER AFTER BOXER TROUBLES.

Now China, driven by the irresistible course of events, has unfortunately incurred well-nigh universal indignation. For settling the present difficulty China places special reliance in the United States. We address this message to your excellency in all sincerity and candor, with the hope that your excellency will devise measures and take the initiative in bringing about a concert of the powers for the restoration of order and peace.

It was perfectly natural for our Government, acting under this obligation and under the obligation of section 5 of the joint note with Japan cited above, to ask for a statement of intentions when the Japanese proceeded to the siege of Kiaochow. Our Government was informed, so the papers stated, that the purpose of the Japanese Government was simply to remove Germany as an element of discord from the Far East, and that the intention was to restore Kiaochow and Tsingtau to the Chinese Government.

I will not here review in detail what has happened since the fall of Tsingtau, though I will put in my remarks as an extension various newspaper chronicles. Step by step a grave crisis has been created. The Chinese Government requested the Japanese Government, when the Germans had been removed, to withdraw her troops, abolishing the war zone, since no war further existed. The Japanese Government responded by making certain demands upon the Chinese Government—21 in number. Secrecy as to their nature was insisted upon by the Japanese Government, but it soon became known that Japan had very serious designs upon the sovereignty of China. The Chinese Government was not permitted to give out officially what these demands were, but the Japanese Government pro-

ceeded to give out official information that was incomplete, that omitted the very demands that struck at the integrity and sovereignty of China as a whole, such as the demand that the Chinese Government employ Japanese advisers for conducting administrative, financial, and military affairs, and the demand that the Chinese Government employ Japanese for policing China. The Japanese information likewise omitted demands striking at the principle of the open door, such as the demand for exclusive concessions in the Yangtze Valley and the heart of China.

Now, Mr. Chairman, in order to get the truth in this matter, I introduced a resolution on the 10th day of February, in line with the treaty obligation our country owes China, as pointed out here, and carrying out the spirit of section 5 of our specific agreement with Japan to discuss such questions together. The resolution called on the State Department to supply Congress with the correspondence and the facts and the information relating to these demands that are reported to have been made on the Chinese Government.

Mr. MURDOCK. Was that resolution privileged?

Mr. HOBSON. The resolution is privileged. I requested the Foreign Affairs Committee of the House to give me a hearing and to act upon this within the seven-day limit prescribed by the rules of the House. My impression was that the chairman of that committee at first was very amiably inclined to grant my reasonable request for a hearing and to take the action within the appointed time. I am informed that afterwards he conferred with the State Department and at its instance decided to ignore the regular procedure and to deny my request for a hearing and to cover up the whole question as far as practicable.

Now, Mr. Chairman, I have undertaken at various times on the floor of this House to speak about conditions in the Far East. Mr. Chairman, the hiding of the truth can serve no good purpose, particularly in a republic. The people are entitled to know the truth about this question. If the demands in question are just and do not conflict with the principle of the open-door policy and do not seriously affect the status quo, then there can be no objection to this information being made public. If my demand is unjust and would invade the rights of American citizens in violating the principle of the open door and threatening the sovereignty of China, then not only our Government but our people are entitled as a right to the truth and the whole truth. The future course of China, the future course of the world, may depend upon America's doing her full duty in this crisis. A definite expression of our position would tend to relieve the situation and might avert action by them that could only lead ultimately to war. I have therefore to-day introduced a second resolution, citing our peculiar responsibility for the existence of the open-door policy in the Far East, and stating that we would view with disfavor the overthrow by any nation of the status quo during the period of the war that is distracting so many of the nations we prevailed upon to establish the open door, and stating in simple terms our adherence to the principle of the open-door policy in the Far East and that we would view with grave concern, as an unfriendly act, any offensive movement striking at the integrity and sovereignty of China.

Further on, under the five-minute rule, I will add to my remarks.

[Mr. HOBSON's address under the five-minute rule is as follows:]

Mr. HOBSON. Mr. Chairman, I move to strike out the last word, in order to pursue further the question of foreign relations and the crisis in the Far East.

I lived in China for about a year and a half. On an average more than 1,000 Chinese worked for me during that period. We were rebuilding Spanish gunboats sunk at Manila and brought over to China to be reconstructed. This residence in China and close contact with its people led me to gain an intimate knowledge of Chinese character. I was very deeply impressed and returned with a profound and even affectionate regard for China and things Chinese. All my observations and investigations have lead me to conclude with Secretary John Hay "that the key to the world's politics for the next five centuries is China." My colleagues can imagine the solicitude I felt in reading the following extract from an article by Count Okuma, prime minister of Japan, which forecasts the ruling of China by Japan:

We must be careful to keep this point in mind and prepare ourselves with power to meet the struggle for existence.

The people who can not meet this struggle will be crushed. Some one may say that even though a country fail, the people of the country may survive. But a race whose country has fallen, being unable to stand in the struggle for existence, is bound to be oppressed by other races and their increase stopped. If one can not earn a competence, he can not marry, and human increase will cease. In that way an unseen human slaughter is perpetuated.

Thus those who are superior will govern those who are inferior. I believe within two or three centuries the world will have a few great governing countries, and others will be governed by them, will pay homage to the mighty. In other words, about four or five great countries, each having a population of 500,000,000 and an enormous territory, will be developed, and the other countries will be attached to these great ones. For instance, England, Russia, Germany, and France may be such countries. There may be one or two other independent countries.

In that event, woe to the nations which are governed. We should from now on prepare ourselves to become a governing nation, not a nation governed.

The estimated average wage throughout the Chinese Empire is about 10 cents for a hard working man, perhaps a little less. I do not hesitate to say that if the Chinese were working in the open markets of the world, according to the world's scale, that this would increase fivefold and even tenfold. The foreign commerce of China now averages less than a dollar per capita. This would increase fivefold and tenfold, with a correspondingly tremendous increase in the purchasing capacity of that people.

Now, about one-third of the human race live in China—they have about them, where they live, the richest natural resources yet undeveloped in all the world. There is no such combination elsewhere on the face of the earth. Most of the undeveloped lands of the earth elsewhere have no industrial population ready to supply the labor for development. China has. I can not help foreseeing that the great commerce of the world, the great course of the world's civilization, is going to swing around the Pacific Ocean. As important as are the events in Europe now occurring, the great futures for our children and our children's children and the human race are to be determined around the great Pacific Ocean.

It so happens that in the fullness of time America was placed in the Far East without ever having done violence to any far-eastern country. We fell heir to the responsibilities of the Philippine Islands, and yet never committed violence against them. We have never imposed opium on China; we never seized the territory of China nor of any weak people either on the Eastern or the Western Hemisphere. We stand to-day with clean hands and pure hearts on the threshold of this vast myriad of human beings, with all their stupendous possibilities of industrial development and capacity to enrich the world's commerce beyond the dreams of men to-day. I believe in destiny, because I believe in God. America stands innately for the principle of justice to the weak and equal opportunities between all—upon these foundations must be built the future peace of the world and the cause of civilization. In the march of world events America has become responsible for these principles in Atlantic and Pacific alike, under the Monroe doctrine in America and the open door in China.

Now, affairs in the Far East have reached a crisis. If a small military nation is to change the peaceful evolution of the great Chinese Republic, without question it will affect the generations unborn of all nations. In taking the stand I do, Mr. Chairman, I know that I am promoting the real cause of enduring peace. It is fundamental to say that when a people are just, as ours are, when they are disinterested and seek no selfish advantage anywhere, they ought not to be afraid of the truth, and where treaty rights give them a standing and duty calls, they ought not to be afraid to enunciate their adherence to the principles of right and justice, of humanity and sympathy, because some military power might not like it. It would be the greatest larceny, the greatest tragedy in the life history of the human species, for any military monarchy, through the power of the sword, against the rights of all other nations, and trampling upon the rights of the weak, to usurp the sovereignty of the Chinese Republic. [Applause.]

The American Nation is in honor bound, as well as bound by the dictates of self-interest, to prevent any such world tragedy. [Applause.]

[From the Washington Post, Wednesday, Feb. 10, 1915.]

JAPAN SCHEMES TO SEIZE ALL CHINA—REPUBLIC IS TO BE TAKEN, REGARDLESS OF UNITED STATES, HOBSON SAYS—TELLS HOUSE OF INTIGUES—WANTS CONGRESS TO GET DEMANDS ALREADY MADE OF MIKADO—SEES TIME NOW FOR ACTION—ALABAMA REPRESENTATIVE DECLARES GRADUAL SUPPRESSION OF COUNTRY, FOR WHOSE INTEGRITY THIS NATION HAS GIVEN ITS PLEDGE, IS GOING ON BEHIND SCREEN OF EUROPEAN WAR—INTRODUCES RESOLUTION CALLING ON STATE DEPARTMENT TO FURNISH SERIES OF 21 DEMANDS MADE SINCE BOMBARDMENT OF TSINGTAU—CONTENDS JAPAN IS CAPITALIZING THE REWARD FOR HER ASSISTANCE TO ALLIES—JAPAN KNOWS OF HELPLESSNESS OF NATIONS TO PREVENT SEIZURE.

The positive assertion that Japan has laid plans to take over China by force, and that this is to be done with the silent acquiescence if not the open sanction of Great Britain and with an utter disregard for the open-door policy with respect to China prevailing among the powers, was made last night by Representative RICHMOND PEARSON HOBSON, of Alabama, who recited a series of significant international events in support of his statements.

TAKING ADVANTAGE OF WAR.

Mr. Hobson declared it was his opinion that Japan, in starting upon this enterprise now, is taking advantage of the general calamity in

Europe, and that, because of the war conditions, America stands as the only obstacle in the way of the accomplishment of the plan. Japan, according to Mr. Hobson's well-known views, is not greatly concerned about American opposition, being in the position rather of inviting war with this country than of avoiding it.

FORESEES DRASTIC SOVEREIGNTY.

The sovereignty which Japan would exercise over China, the Alabama student of international affairs said, will be more drastic in character than that exercised over India by Great Britain. It would not only police the country, but it would control its development and direct its educational and social advancement, if there could be such a thing under an arrangement of this character.

Mr. Hobson talked earnestly and deliberately, making his statements with a deep conviction that he was in possession of knowledge and deductions of which the American people should be apprised for their own good and protection. Prepared or not prepared for war, it was his opinion that the United States, as the one great Nation whose hands are untied by the struggle in Europe, should not sit with hands folded and without protest while a single nation takes it upon itself to wipe out treaty obligations which are solemn pledges to keep inviolate the integrity of China.

HE INTRODUCES RESOLUTION.

During the day Mr. Hobson introduced in the House a resolution calling upon the State Department to furnish Congress with whatever information the department has in its possession, officially or unofficially, with respect to a series of demands recently made upon the Chinese Government by Japan. There are 21 of these demands, and Mr. Hobson is certain that if they are made public they will reveal the purposes of Japan.

The resolution follows:

"Whereas recent press dispatches have announced that 21 demands have been made upon the Chinese Government by a foreign Government: Therefore be it

"Resolved by the House of Representatives, That the Secretary of State is requested, if not incompatible with the public interests, to transmit to the House of Representatives any information in the possession of the State Department from official or unofficial sources relating to any recent demands, unusual between free Governments, that may have been made upon the Chinese Government by any other Government, and any similar information as to whether any recent demands that may have been made upon the Chinese Government by another Government, if enforced, would imperil the 'open-door' policy or the integrity and sovereignty of China."

REFERRED TO COMMITTEE.

The resolution was referred to the Committee on Foreign Affairs, before which Mr. Hobson will appear as soon as possible in an effort to get a favorable report.

Reports to the State Department from Tokyo and Peking so far have been so meager that officials say they have been unable to determine the exact nature of Japan's demands.

Mr. Hobson last night declared that these demands constitute the most serious event of the entire war, so far as the United States is concerned, and that they are, in fact, of more significance than all the other happenings in Europe combined.

"I have noticed with great concern," said Mr. Hobson, "a series of press dispatches from Tokio foreshadowing a very serious change in the relations of China to America and all other countries. The first dispatch stated in effect that when the fighting around Kiauchau was all over and the Chinese Government pronounced that the war zone about Kiauchau had been abolished, the Japanese Government notified the Chinese Government that its proclamation was regarded by Japan as an unfriendly act.

APPEARED VERY SINGULAR.

"Since the fighting was over and no more war operations were being executed, it appeared on the face of it very singular that the cessation of the war zone reservation by China could possibly have given any just cause of complaint by Japan or any other country.

"The next dispatch announced briefly that the Japanese Government had entered into negotiations with the Chinese Government, with a view to determining the future relations between the two Governments, and also 'with a view to regulating the future development of China.' The latter part of this dispatch in its very vagueness was ominous, to say the least, as it is difficult to see how one Government can undertake to regulate the internal affairs of another free Government.

ACQUIESCENCE OF GREAT BRITAIN.

"The next dispatch announced that Japan had the support, or at least the acquiescence, of Great Britain, and that, by inference, no other nation of Europe would take exception.

"This clearly indicated that Japan is taking advantage of the occupation of the European nations, and is capitalizing the reward for her assistance to the allies, which later was a practical free hand in China, as far as the nations of Europe are concerned.

"The next dispatch announced that Japan had made 21 distinct, specific demands on China, the substance of which were being kept a secret. The next dispatch stated in effect that the Chinese Government, in spite of the menacing attitude of Japan, was opposing and resisting all attempts to encroach upon her sovereignty. The last dispatch announced that Japan has threatened to use armed forces unless China complies with her demands, these armed forces being already on the mainland of China ready for action.

CAN BE NO MISTAKE, HE SAYS.

"There can be no mistaking what this means. Japan is proceeding substantially to annex China and suppress that country's independence and sovereignty, and Japan is doing this at the point of the bayonet.

"This is in sinister contrast with the first announcement of Japan in undertaking the siege of Kiauchau to respect the integrity of China and restore Kiauchau to the Chinese Government.

"As I recall, our American Government made prompt inquiries of Japan as to her intentions in this matter and received the reply just referred to. The recent developments, which I have just cited, of course must command the most serious consideration not only from our own Government but from every patriotic citizen and every man who loves humanity and respects the rights of the weak against the encroachments of the unjust strong.

QUESTION "TANGIBLE AND OBVIOUS."

"The question is not academic. It is concrete, tangible, and obvious. America, with the other great nations, including Japan, has

entered into solemn agreement under the leadership of the late John Hay, then Secretary of State, to respect the integrity of China and to uphold the principle of the open-door policy in China, under which all would engage in commerce on an equal footing.

"In addition to this, America has a solemn treaty compact with China, assuring to us the privileges of 'the most-favored nation.' What would become of our rights and other interests if Japanese sovereignty were extended over the entire Chinese Nation can be readily seen from what became of our rights in southern Manchuria when Japan took over that territory in China.

SEES TREATY RIGHTS IN DANGER.

"The question is best put to America and Americans alone as to whether our treaty rights with China are to be practically destroyed by an outside power. It is a question of whether the open-door policy is to be destroyed forever, a question of whether America and the other nations are to have a fair and equal chance in the competition for commerce on the Pacific, or whether a military monarchy through the use of might and brute force shall be allowed to take advantage of the general calamity in Europe to overthrow the rights of all other nations, to destroy the latest and most wonderful Republic in the world, and change the lives and destinies of one-third, and that one-third the most peaceful third of the human race.

"The least that America can do at this juncture is without delay to find out what these specific 21 demands are and therefrom what are the real purposes of Japan.

"Not only is our Government entitled to this information, but Congress and the American people are entitled to it."

[From the Washington Post, Thursday, Feb. 11, 1915.]

JAPAN'S DEMANDS ON CHINA DRASTIC—BREAK ALLIANCE WITH ENGLAND, SAY BRITISH PAPERS—RELATIONS ARE STRAINED—SPECIAL RIGHTS CLAIMED BY TOKYO FROM ORIENTAL REPUBLIC—CURB FOREIGN CONCESSIONS—CHINA MUST EMPLOY JAPANESE IN HIGH OFFICIAL POSITIONS IN ARMY, POLICE, AND FINANCIAL DEPARTMENTS, ACCORDING TO ONE VERSION OF THE DEMANDS—CAN CALL ONLY UPON TOKYO TO PRESERVE HER INTEGRITY—BRITISH "SPHERE OF INFLUENCE" MENACED—VIOLENT ATTACKS MADE ON GREAT BRITAIN BY NIPPON PRESS—ENGLISH AID IN CAMPAIGN AGAINST TSINGTAU BITTERLY RESENTED.

PEKING, February 11.

It has been learned from high Chinese authorities that the following, although it lacks important details—for instance, the number of Japanese officials to be employed—is substantially the body of the Japanese Government's demands on China:

JAPANESE DEMANDS.

No section of China's coast or any island off the coast hereafter shall be ceded or leased to another power.

China must employ Japanese in high official positions in the army, police, and financial departments.

China may call upon Japan alone for the preservation of her integrity. No foreigners except Japanese may be employed in the arsenals.

At least half of the arms and ammunition for China hereafter must be purchased from Japan.

Japan will establish an arsenal in China.

China must grant to Japan the same privileges as other nations for the establishment of schools, churches, hospitals, and missions, and for the purchase of the lands for them.

ENTERS BRITISH SPHERE.

In the Yangtse Valley, which the British have formerly considered their sphere of influence, Japan requires joint control with the Chinese of the Hanyang iron works, the Tayeh mines, and the Ping-Hsian collieries.

China may grant no competing concessions to other foreigners.

Railway concessions are demanded from Nanchang to Chauchau, from Nanchang to Kukiang, from Nanchang to Wuchang, and from Nanchang to Hangchow.

In Fukien Province, to which the Japanese lay special claim because of its proximity to the Japanese island of Formosa, the Japanese require the exclusion of other foreigners from future railway, mining, and dock building concessions, unless by Japanese consent.

DEMAND SPECIAL RIGHT.

In the Province of Shantung, besides the transfer of all the German rights, the Japanese demand special concessions, including a railway from the present line to the coast.

In inner Mongolia the exclusion of other foreigners from future mining or railway rights, except with Japan's consent, is demanded.

In Manchuria the extension of the present railway and territorial leases to 99 years is requested.

In both Mongolia and Manchuria the demand is made for the privilege of immigration and farming, as well as trading with the population, and the rights of settlement and land ownership.

All the railways demanded must be under Japanese and not Chinese control.

SEE MENACE TO ENGLAND.

The British newspapers published in the Far East suggest that Japan by her demands is breaking the alliance with Great Britain, while Japanese newspapers criticize Great Britain, in some cases violently, accusing her of having profited by the alliance and of being selfish in Japan's natural sphere.

It is stated that the relations of the allies became strained when the Japanese entered the war and the British sent 1,500 men to participate in the siege of the German fortress of Tsingtau, which some of the Japanese publications are reported to have considered not assistance, but interference.

[From the Washington Post, Sunday, Feb. 14, 1915.]

CHINA ANSWERS JAPAN—CONTENTS OF REPLY TO TOKYO'S DEMANDS KEPT SECRET—GRAVE DANGER SEEN BY UNITED STATES—REPORTED THAT GOVERNMENT OFFICIALS BELIEVE NIPPON IS ESTABLISHING ITS RULE IN NEW TERRITORY OF YUAN SHI KAI—SENATOR HITCHCOCK DECLARES UNITED STATES SHOULD PROTEST.

PEKING, CHINA, February 13.

The Chinese Government yesterday delivered to the Japanese legation at Peking a written reply to the demands recently made by Japan on China.

The contents of the Chinese answer have not been divulged. It is the general belief in Peking, however, that the reply reiterates China's willingness to discuss only 12 of the 21 demands contained in the Japanese notes.

UNITED STATES OFFICIALS ANXIOUS.

NEW YORK, February 13.

A Washington dispatch to the American says:

"Officials at the State Department are more concerned than their official obligations will allow them to admit over the persistence of reports, even from official sources, that Japan is establishing herself dangerously and perhaps permanently in new territory in China.

"M. Reinsch, United States minister at Peking, has made several reports within the last week, dealing with the accounts of the specific demands by Japan on China.

HITCHCOCK URGES PROTEST.

"Members of the Foreign Relations Committee of the Senate feel that the pending questions between this country and the Governments of Great Britain and Germany are not more serious for the United States than the intentions of Japan toward China.

"Senator HITCHCOCK, of Nebraska, Democratic member of the committee, said to-day:

"It looks as if Japan has seen her opportunity and intends to take advantage of it.

"I think the United States ought to protest against any steps by Japan looking toward the acquisition of control of China, but I don't think it will accomplish anything. I would do it simply to keep the record clean.

"Secretary Bryan has said there never will be war while he is in office, which means that no matter how great the wrong he will not do anything to right it; so, under the circumstances, our protest would have little weight.

AFTER CLOSE OF THE WAR.

"What will happen at the close of the war? England, France, and Germany will be impoverished, while Russia will be in splendid condition owing to her vast resources, and Japan will be as well off as ever. Japan already practically controls the Pacific Ocean, certainly the Asiatic coast, and at the end of the war she will be firmly established on the mainland. Russia will be extended very greatly in the direction of Constantinople."

"Another prominent member of the committee, a Republican, who is regarded as one of the best statesmen in the country, admitted the gravity of the situation.

"One member of the committee said he had been told by a high Japanese official that the two possible sources of friction between the United States and Japan were the latter's aspirations in Manchuria and the treatment of Japanese in California. This was an admission that Japan has her mind on acquiring a foothold on the mainland of China."

[From the Washington Post, Monday, Feb. 15, 1915.]

JAPAN PASSES CHINA—INSISTS ON ACCEPTANCE OF TOTAL DEMANDS MADE RECENTLY—PEKING REFUSES TO YIELD—YUAN'S MINISTER AT TOKYO TOLD THAT FULL COMPLIANCE WILL BE REQUIRED—JAPANESE CONSTRUCTING BARRACKS ALONG RAILWAY LEADING FROM TSINGTAU TO CAPITAL OF SHANTUNG.

PEKING, February 14.

The Chinese minister at Tokyo to-day reported to his Government that the Japanese foreign minister, Baron Takaki Kato, had declared that Japan must insist on the acceptance of the total demands recently made in the Japanese note to China. At the Chinese foreign office, however, it was said to be the intention of the Peking Government to continue in its refusal to acquiesce in the Japanese demands.

JAPAN BUILDING BARRACKS.

WEIHSHIEN, SHANTUNG, CHINA, February 14.

Wooden barracks are being constructed by the Japanese at every railway station, except the smallest, along the line between Weihshien and Tsinan. Many of the buildings are nearing completion.

ON RAILWAY TO TSINGTAU.

Tsinan is the capital of the Chinese Province of Shantung, and is connected by rail through Weihshien with Tsingtau, the port of the Kiauchau concession recently surrendered by the Germans to the Japanese troops. The distance by rail between Tsingtau and Tsinan is approximately 225 miles.

The treaty records are as follows:

1899.

OPEN-DOOR POLICY IN CHINA.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES, TRANSMITTING A REPORT FROM THE SECRETARY OF STATE, WITH COPIES OF CORRESPONDENCE WITH VARIOUS FOREIGN GOVERNMENTS CONCERNING AMERICAN COMMERCIAL RIGHTS IN CHINA.

To the House of Representatives:

In response to the resolution of the House of Representatives of March 24, 1900, reading as follows:

"Whereas the commercial community of the United States is deeply interested in ascertaining the conditions which are to govern trade in such parts of the Chinese Empire as are claimed by various foreign powers to be within their 'areas of interest'; and

"Whereas bills are now pending before both Houses of Congress for the dispatch of a mission to China to study its economic conditions: Therefore be it

"Resolved, That the President of the United States be requested to transmit to the House of Representatives, if not incompatible with the public service, such correspondence as may have passed between the Department of State and various foreign Governments concerning the maintenance of the 'open-door' policy in China."

I transmit herewith a report from the Secretary of State, with accompanying papers.

WILLIAM MCKINLEY.

EXECUTIVE MANSION,

Washington, March 27, 1900.

The President:

The undersigned, the Secretary of State, has the honor to transmit herewith, as called for by the resolution of the House of Representatives of March 24, 1900, copies of correspondence which has passed between the Department of State and the Governments of France, Germany, Great Britain, Italy, Japan, and Russia concerning American commercial rights in China.

Respectfully submitted.

JOHN HAY.

DEPARTMENT OF STATE,

Washington, March 26, 1900.

CORRESPONDENCE CONCERNING AMERICAN COMMERCIAL RIGHTS IN CHINA.
FRANCE.

(Mr. Hay to Mr. Vignaud.)

DEPARTMENT OF STATE,
Washington, September 6, 1899.

SIR: I have to inclose, for your confidential information, copies of instructions I have sent under this date to the United States ambassadors at London, Berlin, and St. Petersburg in reference to the desire of this Government that the Governments of Great Britain, Germany, and Russia make formal declaration of an "open-door" policy in the territories held by them in China.

I am, etc.,

JOHN HAY.

(Inclosures:) To London, No. 205, September 6, 1899; to Berlin, No. 927, September 6, 1899; to St. Petersburg, No. 82, September 6, 1899.

(Mr. Hay to Mr. Porter.)

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 21, 1899.

PORTER, Ambassador, Paris:

Informally submit to French Government form of declaration outlined in inclosures with instruction No. 664, September 6, and ask whether France will join.

HAY.

(Mr. Delcassé to Mr. Porter.)

AFFAIRES ÉTRANGÈRES.

Particulier.]

[Received at United States embassy at Paris December 16, 1899.]

MON CHER AMBASSADEUR: Je trouve votre mot en rentrant. Des déclarations que j'ai apportées à la tribune de la Chambre le 24 Novembre dernier et que j'ai eu depuis l'occasion de vous rappeler, se dégagent clairement le sentiment du Gouvernement de la République; il désire dans toute la Chine, et, sous la réserve toute naturelle que toutes les puissances intéressées affirmeront leur volonté d'agir de même, il est prêt à appliquer dans les territoires qui sont cédés à bail, un traitement égal pour les citoyens et sujets de toutes les nations, notamment en ce qui concerne les taxes douanières et de navigation ainsi que les tarifs de transport par chemins de fer.

Je vous prie, mon cher Ambassadeur, d'agréer avec la nouvelle expression de mes sentiments dévoués l'assurance de ma plus haute considération.

DELCASSÉ.

[Translation.]

FOREIGN AFFAIRS.

MY DEAR AMBASSADOR: I find your note awaiting me on my return. The declarations which I made in the Chamber on the 24th of November last, and which I have had occasion to recall to you since then, show clearly the sentiments of the Government of the Republic. It desires throughout the whole of China and, with the quite natural reservation that all the powers interested give an assurance of their willingness to act likewise, is ready to apply in the territories which are leased to it, equal treatment to the citizens and subjects of all nations, especially in the matters of customs duties and navigation dues, as well as transportation tariffs on railways.

I beg you, my dear ambassador, to accept, etc.,

DELCASSÉ.

GERMANY.

(Mr. Hay to Mr. White.)

DEPARTMENT OF STATE,
Washington, September 6, 1899.

SIR: At the time when the Government of the United States was informed by that of Germany that it had leased from His Majesty the Emperor of China the port of Kiao-chao and the adjacent territory in the Province of Shantung assurances were given to the ambassador of the United States at Berlin by the Imperial German minister for foreign affairs that the rights and privileges insured by treaties with China to citizens of the United States would not thereby suffer or be in anywise impaired within the area over which Germany had thus obtained control.

More recently, however, the British Government recognized by a formal agreement with Germany the exclusive right of the latter country to enjoy in said leased area and the contiguous "sphere of influence or interest" certain privileges, more especially those relating to railroads and mining enterprises; but, as the exact nature and extent of the rights thus recognized have not been clearly defined, it is possible that serious conflicts of interest may at any time arise, not only between British and German subjects within said area, but that the interests of our citizens may also be jeopardized thereby.

Earnestly desirous to remove any cause of irritation and to insure at the same time to the commerce of all nations in China the undoubted benefits which should accrue from a formal recognition by the various powers claiming "spheres of interest" that they shall enjoy perfect equality of treatment for their commerce and navigation within such "spheres," the Government of the United States would be pleased to see His German Majesty's Government give formal assurances and lend its cooperation in securing like assurances from the other interested powers that each within its respective sphere of whatever influence—

First. Will in no way interfere with any treaty port or any vested interest within any so-called "sphere of interest" or leased territory it may have in China.

Second. That the Chinese treaty tariff of the time being shall apply to all merchandise landed or shipped to all such ports as are within said "sphere of interest" (unless they be "free ports"), no matter to what nationality it may belong, and that duties so leviable shall be collected by the Chinese Government.

Third. That it will levy no higher harbor dues on vessels of another nationality frequenting any port in such "sphere" than shall be levied on vessels of its own nationality, and no higher railroad charges over lines built, controlled, or operated within its "sphere" on merchandise belonging to citizens or subjects of other nationalities transported through such "sphere" than shall be levied on similar merchandise belonging to its own nationals transported over equal distances.

The liberal policy pursued by his Imperial German Majesty in declaring Kiao-chao a free port and in aiding the Chinese Government in the establishment there of a customhouse are so clearly in line with

the proposition which this Government is anxious to see recognized that it entertains the strongest hope that Germany will give its acceptance and hearty support.

The recent ukase of His Majesty the Emperor of Russia declaring the port of Ta-lien-wan open during the whole of the lease under which it is held from China to the merchant ships of all nations, coupled with the categorical assurances made to this Government by His Imperial Majesty's representative at this capital at the time, and since repeated to me by the present Russian ambassador, seem to insure the support of the Emperor to the proposed measure. Our ambassador at the Court of St. Petersburg has, in consequence, been instructed to submit it to the Russian Government and to request their early consideration of it. A copy of my instruction on the subject to Mr. Tower is herewith inclosed for your confidential information.

The commercial interests of Great Britain and Japan will be so clearly served by the desired declaration of intentions, and the views of the Governments of these countries as to the desirability of the adoption of measures insuring the benefits of equality of treatment of all foreign trade throughout China are so similar to those entertained by the United States, that their acceptance of the propositions herein outlined and their cooperation in advocating their adoption by the other powers can be confidently expected. I inclose herewith copy of the instruction which I have sent to Mr. Choate on the subject.

In view of the present favorable conditions, you are instructed to submit the above considerations to His Imperial German Majesty's minister for foreign affairs, and to request his early consideration of the subject.

Copy of this instruction is sent to our ambassadors at London and at St. Petersburg for their information.

I have, etc.,

JOHN HAY.

(Inclosures:) To London, September 6, 1899, No. 205; to St. Petersburg, September 6, 1899, No. 82.

(Mr. Jackson to Mr. Hay.)

[Telegram.]

EMBASSY OF THE UNITED STATES,
Berlin, December 4, 1899.

I have just had a conversation with secretary of state for foreign affairs, who stated that the politics of Germany in the extreme Orient are de facto the politics of the open door, and Germany proposes to maintain this principle in the future. Germany does not wish the question to become the subject of controversy between the different powers engaged in China. She thinks it would be advantageous for the United States Government to confer with other European Governments having interests in China. If the other cabinets adhere to the proposal of the United States Government Germany will raise no objection, and Germany is willing to have the Government of the United States inform these other cabinets that no difficulty will come from her if the other cabinets agree.

JACKSON, Chargé.

(Count von Bülow to Mr. White.)

AUSWÄRTIGES AMT,
Berlin, den 19 Februar, 1900.

HERR BOTSCHAFTER: Eure Excellenz hatten mir mittelst eines am 24. v. M. hier übergebenen Memorandums mitgeteilt, dass die Regierung der Vereinigten Staaten von Amerika von allen Mächten, an welche eine gleiche Anfrage wie in Eurer Excellenz Schreiben vom 26. September v. J., betreffend die Politik der offenen Thür in China, ergangen war, zufriedenstellende schriftliche Antworten erhalten habe. Eure Excellenz hatten unter Hinweis hierauf den Wunsch ausgedrückt, dass nunmehr auch die Kaiserliche Regierung ihre Antwort in schriftlicher Form erteilen möge.

Indem ich diesen Wunsche gern entspreche, beehre ich mich in Wiederholung bereits mündlich erteilter Aufschlüsse Folgendes zu Eurer Excellenz Kenntniss zu bringen: Wie die Regierung der Vereinigten Staaten von Amerika nach Eurer Excellenz erwähntem Schreiben vom 26. September v. J. anerkannt, hat die Kaiserliche Regierung in ihrem chinesischen Besitz den Grundsatz völliger Gleichbehandlung aller Nationen in Bezug auf Handel, Schiffahrt und Verkehr von Anfang an nicht allein aufgestellt, sondern auch praktisch im weitesten Umfange durchgeführt. Die Kaiserliche Regierung hegt nicht die Absicht von diesem Grundsatz, welche jede wirtschaftliche Benachteiligung oder Zurücksetzung von Angehörigen der Vereinigten Staaten von Amerika von vornherein ausschliesst, in Zukunft abzugehen, so lange sie nicht durch abweichendes Verhalten anderer Regierungen aus Reciprocitätsrücksichten hierzu genötigt werden sollte. Wenn daher die übrigen, an der wirtschaftlichen Erschliessung des chinesischen Reichs interessierten Mächte sich zur Durchführung gleicher Grundsätze bekennen wollen, so kann dies der Kaiserlichen Regierung nur erwünscht sein und sie wird in diesem Falle auf Wunsch ihrerseits gern bereit sein, sich mit den Vereinigten Staaten von Amerika und den übrigen Mächten an einer in diesem Sinne zu treffenden Vereinbarung zu betheiligen, durch welche wechselseitig die gleichen Rechte gewährt werden.

Ich benutze die Gelegenheit um Eurer Excellenz die Versicherung meiner ausgezeichnetsten Hochachtung zu erneuern.

BÜLOW.

[Translation.]

FOREIGN OFFICE,
Berlin, February 19, 1900.

MR. AMBASSADOR: Your excellency informed me, in a memorandum presented on the 24th of last month, that the Government of the United States of America had received satisfactory written replies from all the powers to which an inquiry had been addressed similar to that contained in your excellency's note of September 26 last, in regard to the policy of the open door in China. While referring to this your excellency thereupon expressed the wish that the Imperial Government would now also give its answer in writing.

Gladly complying with this wish, I have the honor to inform your excellency, repeating the statements already made verbally, as follows: As recognized by the Government of the United States of America, according to your excellency's note referred to above, the Imperial Government has from the beginning not only asserted but also practically carried out to the fullest extent in its Chinese possessions absolute equality of treatment of all nations with regard to trade, navigation, and commerce. The Imperial Government entertains no thought of departing in the future from this principle, which at once excludes any prejudicial or disadvantageous commercial treatment of the citizens of the United States of America, so long as it is not forced to do so,

on account of considerations of reciprocity, by a divergence from it by other Governments. If, therefore, the other powers interested in the industrial development of the Chinese Empire are willing to recognize the same principles, this can only be desired by the Imperial Government, which in this case, upon being requested, will gladly be ready to participate with the United States of America and the other powers in an agreement made upon these lines, by which the same rights are reciprocally secured.

I avail myself, etc.,

BELLOW.

GREAT BRITAIN.

(Mr. Choate to Lord Salisbury.)

EMBASSY OF THE UNITED STATES,
London, September 22, 1899.

MY LORD: I am instructed by the Secretary of State to present to your lordship a matter which the President regards as of great and equal importance to Great Britain and the United States—in the maintenance of trade and commerce in the East, in which the interest of the two nations differs, not in character, but in degree only—and to ask for action on the part of Her Majesty's Government which the President conceives to be in exact accord with its uniformly declared policy and traditions, and which will greatly promote the welfare of commerce. He understands it to be the settled policy and purpose of Great Britain not to use any privileges which may be granted to it in China as a means of excluding any commercial rivals, and that freedom of trade for it in that Empire means freedom of trade for all the world alike. Her Majesty's Government, while conceding by formal agreements with Germany and Russia the possession of "spheres of influence or interest" in China, in which they are to enjoy especial rights and privileges, particularly in respect to railroads and mining enterprises, has at the same time sought to maintain what is commonly called the "open-door" policy, to secure to the commerce and navigation of all nations equality of treatment within such "spheres." The maintenance of this policy is alike urgently demanded by the commercial communities of our two nations, as it is justly held by them to be the only one which will improve existing conditions, enable them to maintain their positions in the markets of China, and extend their future operations.

While the Government of the United States will in no way commit itself to any recognition of the exclusive rights of any power within or control over any portion of the Chinese Empire, under such agreements as have been recently made, it can not conceal its apprehensions that there is danger of complications arising between the treaty powers which may imperil the rights insured to the United States by its treaties with China.

It is the sincere desire of my Government that the interests of its citizens may not be prejudiced through exclusive treatment by any of the controlling powers within their respective "spheres of interests" in China, and it hopes to retain there an open market for all the world's commerce, remove dangerous sources of international irritation, and thereby hasten united action of the powers at Peking to promote administrative reforms so greatly needed for strengthening the Imperial Government and maintaining the integrity of China, in which it believes the whole Western World is alike concerned. It believes that such a result may be greatly aided and advanced by declarations by the various powers claiming "spheres of interest" in China as to their intentions in regard to the treatment of foreign trade and commerce therein, and that the present is a very favorable moment for informing Her Majesty's Government of the desire of the United States to have it make on its own part and to lend its powerful support in the effort to obtain from each of the various powers claiming "spheres of interest" in China a declaration substantially to the following effect:

(1) That it will in no wise interfere with any treaty port or any vested interest within any so-called "sphere of interest" or leased territory it may have in China.

(2) That the Chinese treaty tariff of the time being shall apply to all merchandise landed or shipped to all such ports as are within such "spheres of interest" (unless they be "free ports"), no matter to what nationality it may belong, and that duties so leviable shall be collected by the Chinese Government.

(3) That it will levy no higher harbor dues on vessels of another nationality frequenting any port in such "sphere" than shall be levied on vessels of its own nationality, and no higher railroad charges over lines built, controlled, or operated within its "sphere" on merchandise belonging to citizens or subjects of other nationalities transported through such "sphere" than shall be levied on similar merchandise belonging to its own nationals transported over equal distances.

The President has strong reason to believe that the Governments of both Russia and Germany will cooperate in such an understanding as is here proposed. The recent ukase of His Majesty the Emperor of Russia declaring the port of Ta-lien-wan open to the merchant ships of all nations during the whole term of the lease under which it is to be held by Russia removes all uncertainty as to the liberal and conciliatory policy of that power and justifies the expectation that His Majesty would accede to the similar requests of the United States now being presented to him and make the desired declaration.

The recent action of Germany in declaring the port of Kiao-chao a "free port," and the aid which its Government has given China in establishing there a Chinese customhouse, coupled with oral assurances given the United States by Germany that the interests of the United States and its citizens within its "sphere" would in no wise be affected by its occupation of this portion of the Province of Shantung, encourage the belief that little opposition is to be anticipated to the President's request for a similar declaration from that power.

It is needless also to add that Japan, the power next most largely interested in the trade of China, must be in entire sympathy with the views here expressed, and that its interests will be largely served by the proposed arrangement; and the declarations of its statesmen within the last year are so entirely in line with it that the cooperation of that power is confidently relied upon.

It is therefore with the greatest pleasure that I present this matter to your lordship's attention and urge its prompt consideration by Her Majesty's Government, believing that the action is in entire harmony with its consistent theory and purpose, and that it will greatly redound to the benefit and advantage of all commercial nations alike. The prompt and sympathetic cooperation of Her Majesty's Government with the United States in this important matter will be very potent in promoting its adoption by all the powers concerned.

I have, etc.

JOSEPH H. CHOATE.

(Lord Salisbury to Mr. Choate.)

FOREIGN OFFICE,
London, September 29, 1899.

YOUR EXCELLENCY: I have read with great interest the communication which you handed to me on the 23d instant, in which you inform me of the desire of the United States Government to obtain from the various powers claiming spheres of interest in China declarations as to their intentions in regard to the treatment of foreign trade and commerce therein.

I have the honor to inform your excellency that I will lose no time in consulting my colleagues in regard to a declaration by Her Majesty's Government and on the proposal that they should cooperate with the Government of the United States in obtaining similar declarations by the other powers concerned.

In the meantime I may assure your excellency that the policy consistently advocated by this country is one of securing equal opportunity for the subjects and citizens of all nations in regard to commercial enterprise in China, and from this policy Her Majesty's Government have no intention or desire to depart.

I have, etc.,

SALISBURY.

(Lord Salisbury to Mr. Choate.)

FOREIGN OFFICE,
London, November 30, 1899.

YOUR EXCELLENCY: With reference to my note of September 29 last I have the honor to state that I have carefully considered, in communication with my colleagues, the proposal contained in your excellency's note of September 22 that a declaration should be made by foreign powers claiming "spheres of interest" in China as to their intentions in regard to the treatment of foreign trade and interest therein.

I have much pleasure in informing your excellency that Her Majesty's Government will be prepared to make a declaration in the sense desired by your Government in regard to the leased territory of Wei-hai Wei and all territory in China which may hereafter be acquired by Great Britain by lease or otherwise, and all spheres of interest now held or that may hereafter be held by her in China, provided that a similar declaration is made by other powers concerned.

I have, etc.,

SALISBURY.

(Mr. Choate to Lord Salisbury.)

EMBASSY OF THE UNITED STATES,
London, December 6, 1899.

MY LORD: I have the honor to acknowledge the receipt of your lordship's note of November 30, in which you inform me that, after having carefully considered in connection with your colleagues, the proposals contained in my note of September 22 last Her Majesty's Government is prepared to make a declaration in the sense desired by my Government in regard to the leased territory of Wei-hai Wei and all territory in China which may hereafter be acquired by Great Britain by lease or otherwise and all "spheres of interest" now held or which may hereafter be held by her in China, provided that a similar declaration is made by other powers.

In acknowledging your lordship's note I have also, under instructions from the Secretary of State, to express to your lordship the gratification he feels at the cordial acceptance by Her Britannic Majesty's Government of the proposals of the United States.

I have, etc.,

JOSEPH H. CHOATE.

ITALY.

(Mr. Hay to Mr. Draper.)

DEPARTMENT OF STATE,
Washington, November 17, 1899.

SIR: This Government, animated with a sincere desire to insure to the commerce and industry of the United States and of all other nations perfect equality of treatment within the limits of the Chinese Empire for their trade and navigation, especially within the so-called "spheres of influence or interest" claimed by certain European powers in China, has deemed the present an opportune moment to make representations in this direction to Germany, Great Britain, Japan, and Russia.

To attain the object it has in view and to remove possible causes of international irritation and reestablish confidence so essential to commerce, it has seemed to this Government highly desirable that the various powers claiming "spheres of interest or influence" in China should give formal assurances that—

First. They will in no way interfere with any treaty port or any vested interest within any so-called "sphere of interest" or leased territory they may have in China.

Second. The Chinese treaty tariff of the time being shall apply to all merchandise landed or shipped to all such ports as are within said "sphere of interest" (unless they be "free ports"), no matter to what nationality it may belong, and that duties so leviable shall be collected by the Chinese Government.

Third. They will levy no higher harbor dues on vessels of another nationality frequenting any port in such "sphere" than shall be levied on vessels of their own nationality, and no higher railroad charges over lines built, controlled, or operated within its "sphere" on merchandise belonging to citizens or subjects of other nationalities transported through such "sphere" than shall be levied on similar merchandise belonging to their own nationals transported over equal distances.

The policy pursued by His Imperial German Majesty in declaring Tsing-tao (Kiao-chao) a free port and in aiding the Chinese Government in establishing there a customhouse, and the ukase of His Imperial Russian Majesty of August 11 last, erecting a free port at Dalny (Ta-lien-wan) are thought to be proof that these powers are not disposed to view unfavorably the proposition to recognize that they contemplate nothing which will interfere in any way with the enjoyment by the commerce of all nations of the rights and privileges guaranteed to them by existing treaties with China.

Repeated assurances from the British Government of its fixed policy to maintain throughout China freedom of trade for the whole world insure, it is believed, the ready assent of that power to our proposals. The commercial interests of Japan will also be greatly served by the above-mentioned declaration, which harmonizes with the assurances

conveyed to this Government at various times by His Imperial Japanese Majesty's diplomatic representative at this capital.

In view of the important and growing commercial interests of Italy in eastern Asia it would seem desirable that His Majesty's Government should also be informed of the steps taken by the United States to insure freedom of trade in China, in which it would find equal advantages to those which the other nations of Europe expect.

You are therefore instructed to submit to His Majesty's minister for foreign affairs the above considerations and to invite his early attention to them, expressing, in the name of your Government, the hope that they will prove acceptable and that His Majesty's Government will lend its aid and valuable assistance in securing their acceptance by the other interested powers.

I inclose, for your personal and confidential information, copies of the instructions sent to our ambassadors at Berlin, London, St. Petersburg, and to our minister at Tokio.

I am, etc.,

JOHN HAY.

(Inclosures:) To Great Britain, to Russia, to Germany, September 6, 1899; to Japan, November 13, 1899.

(The Marquis Visconti Venosta to Mr. Draper.)

ROME, 7 Gennaio, 1900.

SIGNOR AMBASCIATORE: A complemento di ciò che mi aveva fatto l'onore di comunicarmi colla sua nota del 9 Dicembre, 1899, Vostra Eccellenza mi ha partecipato ieri la notizia datale per telegrafo dal suo Governo, che tutte le Potenze interpellate dal Gabinetto di Washington in ordine alle opportunità di adottare una linea di condotta politica la quale assicuri al commercio di tutto il mondo parità di trattamento in Cina, hanno dato risposta favorevole.

Riferendomi alle sue comunicazioni e a quanto ebbi già a dichiararle colla mia nota del 23 di detto mese di Dicembre, mi è grato di dichiararle che anche il Governo del Re aderisce di buon grado ai concetti di massima svolta nella menzionata nota del 9 Dicembre.

Prego Vostra Eccellenza di volere portare questa nostra adesione alla conoscenza del Gabinetto di Washington, e profitto dell'occasione per rinnovarle, Signor Ambasciatore, gli atti della mia più alta considerazione.

VISCONTI VENOSTA.

[Translation.]

ROME, January 7, 1900.

MR. AMBASSADOR: Supplementary to what you had already done me the honor of communicating to me in your note of December 9, 1899, your excellency informed me yesterday of the telegraphic note received from your Government that all the powers consulted by the Cabinet of Washington concerning the suitability of adopting a line of policy which would insure to the trade of the whole world equality of treatment in China have given a favorable reply.

Referring to your communications and to the statements in my note of December 23 last, I take pleasure in saying that the Government of the King adheres willingly to the proposals set forth in said note of December 9.

I beg your excellency to kindly convey the notice of our adhesion to the Cabinet of Washington, and I avail myself of the occasion to renew to you, etc.,

VISCONTI VENOSTA.

JAPAN.

(Mr. Hay to Mr. Buck.)

DEPARTMENT OF STATE,
Washington, November 13, 1899.

SIR: This Government, animated with a sincere desire to insure to the commerce and industry of the United States and of all other nations perfect equality of treatment within the limits of the Chinese Empire for their trade and navigation, especially within the so-called "spheres of influence or interest" claimed by certain European powers in China, has deemed the present an opportune moment to make representations in this direction to Germany, Great Britain, and Russia.

To obtain the object it has in view and to remove possible causes of international irritation and reestablish confidence so essential to commerce, it has seemed to this Government highly desirable that the various powers claiming "spheres of interest or influence" in China should give formal assurances that—

First. They will in no way interfere with any treaty port or any vested interest within any so-called "sphere of interest" or leased territory they may have in China.

Second. The Chinese treaty tariff of the time being shall apply to all merchandise landed or shipped to all such ports as are within said "sphere of interest" (unless they be "free ports"), no matter to what nationality it may belong, and that duties so leviable shall be collected by the Chinese Government.

Third. They will levy no higher harbor dues on vessels of another nationality frequenting any port in such "sphere" than shall be levied on vessels of their own nationality, and no higher railroad charges over lines built, controlled, or operated within such "sphere" on merchandise belonging to citizens or subjects of other nationalities transported through such "sphere" than shall be levied on similar merchandise belonging to their own nationals transported over equal distances.

The policy pursued by His Imperial German Majesty in declaring Tsingtao (Kiaochow) a free port and in aiding the Chinese Government in establishing there a customhouse, and the ukase of His Imperial Russian Majesty of August 11 last in erecting a free port at Dalny (Ta-lien-wan) are thought to be proof that these powers are not disposed to view unfavorably the proposition to recognize that they contemplate nothing which will interfere in any way with the enjoyment by the commerce of all nations of the rights and privileges guaranteed to them by existing treaties with China.

Repeated assurances from the British Government of its fixed policy to maintain throughout China freedom of trade for the whole world insure, it is believed, the ready assent of that power to our proposals. It is no less confidently believed that the commercial interests of Japan would be greatly served by the above-mentioned declaration, which harmonizes with the assurances conveyed to this Government at various times by His Imperial Japanese Majesty's diplomatic representative at this capital.

You are therefore instructed to submit to His Imperial Japanese Majesty's Government the above considerations, and to invite their early attention to them, and express the earnest hope of your Govern-

ment that they will accept them and aid in securing their acceptance by the other interested powers.

I am, etc.,

JOHN HAY.

(Viscount Aoki to Mr. Buck.)

[Translation.]

DEPARTMENT OF FOREIGN AFFAIRS,
Tokio, the 26th day, the 12th month of the 32d year of Meiji,
(December 26, 1899.)

MR. MINISTER: I have the honor to acknowledge the receipt of the note No. 176 of the 20th instant, in which, pursuing the instructions of the United States Government, your excellency was so good as to communicate to the Imperial Government the representations of the United States as presented in notes to Russia, Germany, and Great Britain on the subject of commercial interests of the United States in China.

I have the happy duty of assuring your excellency that the Imperial Government will have no hesitation to give their assent to so just and fair a proposal of the United States, provided that all the other powers concerned shall accept the same.

I avail myself, etc.,

VISCOUNT AOKI SIUZO,
Minister for Foreign Affairs.

RUSSIA.

(Mr. Hay to Mr. Towner.)

DEPARTMENT OF STATE,
Washington, September 6, 1899.

SIR: In 1898, when His Imperial Majesty, through his diplomatic representative at this capital, notified this Government that Russia had leased from His Imperial Chinese Majesty the ports of Port Arthur, Ta-lien-wan, and the adjacent territory in the Liaotung Peninsula in northeastern China for a period of 25 years, your predecessor received categorical assurances from the imperial minister for foreign affairs that American interests in that part of the Chinese Empire would in no way be affected thereby, neither was it the desire of Russia to interfere with the trade of other nations, and that our citizens would continue to enjoy within said leased territory all the rights and privileges guaranteed them under existing treaties with China. Assurances of a similar purport were conveyed to me by the Emperor's ambassador at this capital; while fresh proof of this is afforded by the imperial ukase of July 30-August 11 last, creating the free port of Dalny, near Ta-lien-wan, and establishing free trade for the adjacent territory.

However gratifying and reassuring such assurances may be in regard to the territory actually occupied and administered, it can not but be admitted that a further, clearer, and more formal definition of the conditions which are henceforth to hold within the so-called Russian "sphere of interest" in China as regards the commercial rights therein of our citizens is much desired by the business world of the United States, inasmuch as such a declaration would relieve it from the apprehensions which has exercised a disturbing influence during the last four years on its operations in China.

The present moment seems particularly opportune for ascertaining whether His Imperial Russian Majesty would not be disposed to give permanent form to the assurances heretofore given to this Government on this subject.

The ukase of the Emperor of August 11 of this year, declaring the port of Ta-lien-wan open to the merchant ships of all nations during the remainder of the lease under which it is held by Russia, removes the slightest uncertainty as to the liberal and conciliatory commercial policy His Majesty proposes carrying out in northeastern China, and would seem to insure us the sympathetic and, it is hoped, favorable consideration of the propositions hereinafter specified.

The principles which this Government is particularly desirous of seeing formally declared by His Imperial Majesty and by all the great powers interested in China, and which will be eminently beneficial to the commercial interests of the whole world, are:

First. The recognition that no power will in any way interfere with any treaty port or any vested interest within any leased territory or within any so-called "sphere of interest" it may have in China.

Second. That the Chinese treaty tariff of the time being shall apply to all merchandise landed or shipped to all such ports as are within said "sphere of interest" (unless they be "free ports"), no matter to what nationality it may belong, and that duties so leviable shall be collected by the Chinese Government.

Third. That it will levy no higher harbor dues on vessels of another nationality frequenting any port in such "sphere" than shall be levied on vessels of its own nationality and no higher railroad charges over lines built, controlled, or operated within its "sphere" on merchandise belonging to citizens or subjects of other nationalities transported through such "sphere" than shall be levied on similar merchandise belonging to its own nationals transported over equal distances.

The declaration of such principles by His Imperial Majesty would not only be of great benefit to foreign commerce in China, but would powerfully tend to remove dangerous sources of irritation and possible conflict between the various powers; it would reestablish confidence and security, and would give great additional weight to the concerted representations which the treaty powers may hereafter make to His Imperial Chinese Majesty in the interest of reform in Chinese administration so essential to the consolidation and integrity of that Empire, and which, it is believed, is a fundamental principle of the policy of His Majesty in Asia.

Germany has declared the port of Kiaochow, which she holds in Shangtung under a lease from China, a free port and has aided in the establishment there of a branch of the Imperial Chinese maritime customs. The Imperial German minister for foreign affairs has also given assurances that American trade would not in any way be discriminated against or interfered with, as there is no intention to close the leased territory to foreign commerce within the area which Germany claims. These facts lead this Government to believe that the Imperial German Government will lend its cooperation and give its acceptance to the proposition above outlined, and which our ambassador at Berlin is now instructed to submit to it.

That such a declaration will be favorably considered by Great Britain and Japan, the two other powers most interested in the subject, there can be no doubt. The formal and oft-repeated declarations of the British and Japanese Governments in favor of the maintenance throughout China of freedom of trade for the whole world insure us, it is believed, the ready assent of these powers to the declaration desired.

The acceptance by His Imperial Majesty of these principles must therefore inevitably lead to their recognition by all the other powers

interested, and you are instructed to submit them to the Emperor's minister for foreign affairs and urge their immediate consideration.

A copy of this construction is sent to our ambassadors at London and Berlin for their confidential information, and copies of the instructions sent to them on this subject are inclosed herewith.

I have, etc.,

JOHN HAY.

(Inclosures:) To London, September 6, 1899, No. 205; to Berlin, September 6, 1899, No. 927.

(Count Mouravieff to Mr. Tower.)

MINISTÈRE DES AFFAIRES ÉTRANGÈRES,
PREMIER DÉPARTEMENT,
Le 18 Décembre, 1899.

MONSIEUR L'AMBAassadeUR: J'ai eu l'honneur de recevoir la note de Votre Excellence en date du 8-20 Septembre a. c. relative aux principes que le Gouvernement des États-Unis désire voir adoptés en matière économique par les Puissances ayant des intérêts en Chine.

Pour ce qui est du territoire cédé à bail par la Chine à la Russie le Gouvernement Impérial a déjà manifesté sa ferme intention de pratiquer la politique de "la porte ouverte" en érigeant Dalny (Ta-lien-wan), en port franc; et si à l'avenir ce dernier port, tout en continuant à rester franc était séparé par une ligne de douanes du reste du territoire dont il s'agit, les taxes douanières seraient prélevées dans la zone soumise au tarif, sur toutes les marchandises étrangères sans distinction de nationalité.

Quant aux ports déjà ouverts, ou qui le seraient à l'avenir, par le Gouvernement Chinois, au commerce étranger et qui se trouvent en dehors du territoire cédé à bail à la Russie, le règlement des questions relatives aux taxes douanières appartient à la Chine elle-même, et le Gouvernement Impérial n'a nullement l'intention de réclamer pour ses nationaux à cet égard des privilèges quelconques à l'exclusion des autres étrangers. Il va de soi que cette assurance du Gouvernement Impérial a pour condition qu'une déclaration semblable serait faite par les autres Puissances ayant des intérêts en Chine.

Convaincu que cette réponse est de nature à satisfaire à la demande exprimée dans la note susmentionnée, le Gouvernement Impérial se félicite d'autant plus d'avoir été au devant des vœux du Gouvernement Américain, qu'il attache le plus grand prix à tout ce qui peut entretenir et consolider les relations amicales traditionnelles existant entre les deux pays.

Veuillez agréer, Monsieur l'Ambassadeur, l'assurance de ma haute considération.

COMTE MOURAVIEFF.

[Translation.]

MINISTRY OF FOREIGN AFFAIRS,
December 18-30, 1899.

Mr. AMBASSADOR: I had the honor to receive Your Excellency's note dated the 8th-20th of September last, relating to the principles which the Government of the United States would like to see adopted in commercial matters by the powers which have interests in China.

In so far as the territory leased by China to Russia is concerned, the Imperial Government has already demonstrated its firm intention to follow the policy of "the open door" by creating Dalny (Ta-lien-wan) a free port; and if at some future time that port, although remaining free itself, should be separated by a customs limit from other portions of the territory in question, the customs duties would be levied, in the zone subject to the tariff, upon all foreign merchandise without distinction as to nationality.

As to the ports now opened or hereafter to be opened to foreign commerce by the Chinese Government, and which lie beyond the territory leased to Russia, the settlement of the question of customs duties belongs to China herself, and the Imperial Government has no intention whatever of claiming any privileges for its own subjects to the exclusion of other foreigners. It is to be understood, however, that this assurance of the Imperial Government is given upon condition that a similar declaration shall be made by other powers having interests in China.

With the conviction that this reply is such as to satisfy the inquiry made in the aforementioned note, the Imperial Government is happy to have complied with the wishes of the American Government, especially as it attaches the highest value to anything that may strengthen and consolidate the traditional relations of friendship existing between the two countries.

I beg you to accept, etc.

COUNT MOURAVIEFF.

INSTRUCTIONS SENT MUTATIS MUTANDIS TO THE UNITED STATES AMBASSADORS AT LONDON, PARIS, BERLIN, ST. PETERSBURG, AND ROME, AND TO THE UNITED STATES MINISTER AT TOKYO.

DEPARTMENT OF STATE,
Washington, March 20, 1900.

SIR: The Government having accepted the declaration suggested by the United States concerning foreign trade in China, the terms of which I transmitted to you in my instruction No. — of —, and like action having been taken by all the various powers having leased territory or so-called "spheres of interest" in the Chinese Empire, as shown by the notes which I herewith transmit to you, you will please inform the Government to which you are accredited that the condition originally attached to its acceptance—that all other powers concerned should likewise accept the proposals of the United States—having been complied with, this Government will therefore consider the assent given to it by — as final and definitive.

You will also transmit to the minister for foreign affairs copies of the present inclosures, and by the same occasion convey to him the expression of the sincere gratification which the President feels at the successful termination of these negotiations, in which he sees proof of the friendly spirit which animates the various powers interested in the untrammelled development of commerce and industry in the Chinese Empire and a source of vast benefit to the whole commercial world.

I am, etc.,

JOHN HAY.

(Inclosures:) Mr. Delcassé to Mr. Porter (received December 16, 1899), with translation; Mr. Jackson to Mr. Hay, telegram, December 4, 1899; Count von Bülow to Mr. White, February 19, 1900, with translation; Lord Salisbury to Mr. Choate, November 30, 1899; Marquis Visconti Venosta to Mr. Draper, January 7, 1900, with translation; Viscount Aoki to Mr. Buck, December 26, 1899, translation; Count Mouravieff to Mr. Tower, December 18, 1899, with translation.

NOTES EXCHANGED BETWEEN THE UNITED STATES AND JAPAN NOVEMBER 30, 1908, DECLARING THEIR POLICY IN THE FAR EAST.

IMPERIAL JAPANESE EMBASSY,
Washington, November 30, 1908.

SIR: The exchange of views between us which has taken place at the several interviews which I have recently had the honor of holding with you has shown that Japan and the United States holding important outlying insular possessions in the region of the Pacific Ocean, the Governments of the two countries are animated by a common aim, policy, and intention in that region.

Believing that a frank avowal of that aim, policy, and intention would not only tend to strengthen the relations of friendship and good neighborhood which have immemorially existed between Japan and the United States, but would materially contribute to the preservation of the general peace, the Imperial Government have authorized me to present to you an outline of their understanding of that common aim, policy, and intention:

1. It is the wish of the two Governments to encourage the free and peaceful development of their commerce on the Pacific Ocean.

2. The policy of both Governments, uninfluenced by any aggressive tendencies, is directed to the maintenance of the existing status quo in the region above mentioned and to the defense of the principle of equal opportunity for commerce and industry in China.

3. They are accordingly firmly resolved reciprocally to respect the territorial possessions belonging to each other in said region.

4. They are also determined to preserve the common interest of all powers in China by supporting by all pacific means at their disposal the independence and integrity of China and the principle of equal opportunity for commerce and industry of all nations in that Empire.

5. Should any event occur threatening the status quo as above described or the principle of equal opportunity as above defined, it remains for the two Governments to communicate with each other in order to arrive at an understanding as to what measures they may consider it useful to take.

If the foregoing outline accords with the view of the Government of the United States, I shall be gratified to receive your confirmation.

I take this opportunity to renew to your excellency the assurance of my highest consideration.

K. TAKAHIRA.

Hon. ELIHU ROOT,
Secretary of State.

DEPARTMENT OF STATE,
Washington, November 30, 1908.

EXCELLENCY: I have the honor to acknowledge the receipt of your note of to-day setting forth the result of the exchange of views between us in our recent interviews defining the understanding of the two Governments in regard to their policy in the region of the Pacific Ocean.

It is a pleasure to inform you that this expression of mutual understanding is welcome to the Government of the United States as appropriate to the happy relations of the two countries and as the occasion for a concise mutual affirmation of that accordant policy respecting the Far East which the two Governments have so frequently declared in the past.

I am happy to be able to confirm to your excellency, on behalf of the United States, the declaration of the two Governments embodied in the following words:

1. It is the wish of the two Governments to encourage the free and peaceful development of their commerce on the Pacific Ocean.

2. The policy of both Governments, uninfluenced by any aggressive tendencies, is directed to the maintenance of the existing status quo in the region above mentioned and to the defense of the principle of equal opportunity for commerce and industry in China.

3. They are accordingly firmly resolved reciprocally to respect the territorial possessions belonging to each other in said region.

4. They are also determined to preserve the common interests of all powers in China by supporting by all pacific means at their disposal the independence and integrity of China and the principle of equal opportunity for commerce and industry of all nations in that Empire.

5. Should any event occur threatening the status quo as above described or the principle of equal opportunity as above defined, it remains for the two Governments to communicate with each other in order to arrive at an understanding as to what measures they may consider it useful to take.

Accept, Excellency, the renewed assurance of my highest consideration.

ELIHU ROOT.

His Excellency BARON KOGORO TAKAHIRA,
Japanese Ambassador.

The resolutions are as follows:

House resolution 728.

Whereas recent press dispatches have announced that 21 demands have been made upon the Chinese Government by a foreign Government: Therefore be it

Resolved, That the Secretary of State is requested, if not incompatible with the public interests, to transmit to the House of Representatives any information in the possession of the State Department from official or unofficial sources relating to any recent demands, unusual between free Governments, that may have been made upon the Chinese Government by any other Government, and any similar information as to whether any recent demands that may have been made upon the Chinese Government by any other Government, if enforced, would imperil the "open-door" policy or the integrity and sovereignty of China.

Joint resolution (H. J. Res. 425) declaring the attitude of the United States toward the open-door policy in China.

Whereas pledges to respect the integrity and sovereignty of China and to maintain in that country the principle of the "open door" were mutually pledged by the United States Government with the following Governments, to wit: With the Government of Great Britain, November 30, 1899; with the Government of France, December 16, 1899; with the Government of Russia, December 18, 1899; with the Government of Japan, December 26, 1899; with the Government of Italy, January 7, 1900; with the Government of Germany, February 19, 1900; and

Whereas the Government of the United States and the Government of Japan on November 30, 1908, renewed their mutual pledges by the exchange of identical notes pledging themselves anew to maintain the status quo, to respect the integrity and sovereignty of China, and to uphold the principle of the "open door," in specific terms, as follows:

First. It is the wish of the two Governments to encourage the free and peaceful development of their commerce on the Pacific Ocean.

Second. The policy of both Governments, uninfluenced by any aggressive tendencies, is directed to the maintenance of the existing status quo in the region above mentioned and to the defense of the principle of equal opportunity for commerce and industry in China.

Third. They are accordingly firmly resolved reciprocally to respect the territorial possessions belonging to each other in said region.

Fourth. They are also determined to preserve the common interest of all powers in China by supporting by all pacific means at their disposal the independence and integrity of China and the principle of equal opportunity for commerce and industry of all nations in that Empire.

Fifth. Should any event occur threatening the status quo, as above described, or the principle of equal opportunity, as above defined, it remains for the two Governments to communicate with each other in order to arrive at an understanding as to what measures they may consider it useful to take.

And—

Whereas the mutual pledges aforesaid are based upon the clear principles of justice and right, and their faithful observance by the high contracting parties affects vitally the material interests of American citizens and the maintenance of peace, the development of prosperity, and the progress of civilization in the vast regions of the Pacific: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the people of the United States would look with disfavor upon any effort to change the status quo in China while so many of the high contracting parties pledged to maintain that status quo are distracted by war, and that the people of the United States would view with grave concern as an unfriendly act any aggressive move on the part of a foreign Government against the integrity and sovereignty of China.

Mr. HINEBAUGH. Mr. Chairman, I yield two minutes to the gentleman from Illinois [Mr. MANN].

Mr. MANN. Mr. Chairman, I appreciate the gravity of the situation and the relations between the United States and Japan and China as well as our relations at this time with the European nations at war there. It seems to me that at this time and under the existing circumstances it is absolutely necessary for this House and the people of this country to place their reliance in the President of the United States. [Applause.] He represents our country in our relations with foreign nations, and it would be a serious thing for this House or this Congress without all the information which the President possesses to endeavor to interfere. Woodrow Wilson is President of the United States, elected by the people of the United States, and he occupies a position where we must trust him in these matters, and where we must not endeavor to hamper or annoy him or interfere with him. [Applause.] I believe that he wants to preserve peace and uphold our rights and the dignity of our country. I hope that we will be able both to uphold our rights and dignity and preserve peace; but the only thing that we can do under the circumstances is to have faith in the administration. [Applause.]

Mr. BARTLETT. Mr. Chairman, I yield two minutes to the gentleman from Virginia [Mr. FLOOD].

Mr. FLOOD of Virginia. Mr. Chairman, I concur in everything that the gentleman from Illinois [Mr. MANN] has said in reference to the matter brought out by the speech of the gentleman from Alabama [Mr. HOBSON]. Our international situation is a delicate one, and it should be dealt with only by those who are intimately acquainted with every detail of these affairs. The inquiry proposed in the resolution of the gentleman from Alabama was a broad one, and, in my opinion, was one that ought not to have been entered into at this time. If the gentleman's resolution was privileged, as he says it was, and the Committee on Foreign Affairs had not given him that consideration he thought he deserved, he could have brought it up at the end of seven days in this House. I do not think it is privileged. It is not drawn in such a manner as to entitle it to the privilege he claims for it. I said to the gentleman I did not think it was wise at this juncture of our international affairs, at this particularly delicate period of our history, for the Foreign Affairs Committee to take up the inquiries called for in his resolution, and therefore I declined to call the committee together in special session for the purpose of considering it. [Applause.]

I believe it is the duty of every American, those in private life as well as those in public life, to give as little cause for friction with other nations as possible. I believe the paramount duty of the hour is to preserve our friendly relations with all nations as far as that can be done with due regard to the interest of our country and our people and the maintenance of our honor as a Nation.

The administration has splendidly labored to this end. The Committee on Foreign Affairs has aided at every stage of this splendid work, and in doing so we have had to suppress a number of inopportune bills and resolutions. [Applause.]

I believe I acted wisely and in the interests of peace and harmony between this country and our far eastern friends in

reference to the gentleman's resolution. I further said to him, not that the State Department had requested me not to have a hearing upon this resolution, but that the State Department thought it was unwise to enter into the inquiries suggested in his resolution; and for that reason, and because my judgment fully accords with the opinion of the State Department, I took the responsibility of not assembling the committee.

Mr. HOBSON. Mr. Chairman, will the gentleman yield for a question?

The CHAIRMAN. The time of the gentleman has expired.

Mr. BARTLETT. Mr. Chairman, I yield another minute to the gentleman.

The CHAIRMAN. The gentleman from Virginia is recognized for one minute more.

Mr. HOBSON. Mr. Chairman, I simply wish to ask the gentleman if he believes that this Congress ought to know the terms—the real terms—of the 21 demands that have been made upon the Chinese Government by a foreign Government?

Mr. FLOOD of Virginia. I do not believe that this is a time for Congress to inquire into the trouble between Japan and China, if there is trouble. I think the gentleman has an exaggerated idea of the situation existing between those countries. I have no idea that Japan desires to crush the great Republic of the East; and if she did, I have no idea that China, with her 400,000,000 of people, would sit supinely by and permit her rights to be invaded and her liberties destroyed; and I am satisfied, and I believe the people of this country are satisfied, that the American Government will never allow her rights, present or prospective, in the Orient to be invaded or interfered with by any country. The gentleman can depend upon those entrusted with our foreign affairs not only to keep us out of war, as far as that result can be accomplished with honor, but to uphold and defend our rights whenever they are endangered. [Applause.]

The CHAIRMAN. The time of the gentleman from Virginia has again expired.

Mr. HINEBAUGH. Mr. Chairman, how much time have we left on this side?

The CHAIRMAN. Three minutes.

Mr. HINEBAUGH. Only three minutes? I thought I had eight minutes, according to my figures here. Is that correct, Mr. Chairman, that I have only three minutes left?

The CHAIRMAN. That is all the time the gentleman from Illinois has—three minutes.

Mr. MURDOCK. The gentleman is a bad counter. [Laughter.]

Mr. MOORE. Mr. Chairman, will the gentleman yield to me?

Mr. HINEBAUGH. Yes; Mr. Chairman, I yield the time to the gentleman from Pennsylvania [Mr. MOORE].

The CHAIRMAN. The gentleman from Pennsylvania [Mr. MOORE] is recognized for three minutes.

Mr. MOORE. Mr. Chairman, about two hours ago there was an exciting scene on the floor of the House. I undertook to make a reply to certain attacks made upon me as well as attacks made upon Gen. Crozier, an officer of the Army, who was not present, and who, therefore, could not speak for himself. I believe the attack upon Gen. Crozier was unfair. I believe it to have been made at a time and in a place where it should not have been made. Certain gentlemen upon the other side insisted that by reason of the fact that I was undertaking to ask for fair play in behalf of a man who is serving under a Democratic administration, that therefore I was the representative of the Steel Trust or of some other trust. I asked particularly that I be given eight minutes in which to make a statement. I have been denied those few minutes. Therefore the gag rule which applied on the other side a few moments ago applies equally to this side.

While I accept the courtesy of the gentleman [Mr. HINEBAUGH] who has just yielded to me three minutes, I yield back to him the balance of my time and thank him for what I have had. [Applause.]

Mr. HINEBAUGH. Mr. Chairman, how much time have we left?

The CHAIRMAN. The gentleman yields back two minutes.

Mr. HINEBAUGH. I yield two minutes to the gentleman from California [Mr. KENT].

The CHAIRMAN. The gentleman from California [Mr. KENT] is recognized for two minutes.

Mr. KENT. Mr. Chairman, I realize, as everyone else realizes, the delicacy of the present situation. I know, as the gentleman from Illinois [Mr. MANN] knows, and has so well stated, that we must trust much to the discretion of our President and to our Diplomatic Service. I do not like the resolution of the gentleman from Alabama [Mr. HOBSON], because it looks now as if at this critical time it adds to our burdens and adds to our liability to get into trouble.

We on the Pacific coast are always face to face with the oriental question as it affects our own country, and we are willing to face it, and are going to continue to face it. But how shall we do it? We shall not face our own problems aright if at this critical period we recklessly butt into the relations of Asia. There is not the least excuse for our trying to maintain a Monroe doctrine there. The Lord knows we have enough trouble in maintaining a Monroe doctrine on this continent, and what Japan may or may not do to China or China to Japan is a matter between Japan and China. If we are injured, the time for us to assert the injury is after we are hurt. It is not the time now to assert that we have anything to do with the joint relations between Japan and China. Such an assertion is out of place and dangerous, especially so at this time.

I yield back the balance of my time, Mr. Chairman. [Applause.]

The CHAIRMAN. The gentleman from California yields back one minute.

Mr. MOORE. Mr. Chairman, I ask unanimous consent that I be permitted to proceed for eight minutes.

A MEMBER. You can not do it.

Mr. MOORE. Well, I submit the request.

Mr. MURDOCK. You can run an elephant through this committee. [Laughter.]

Mr. MOORE. My request is, Mr. Chairman, that I be permitted to proceed for eight minutes.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. MOORE] asks unanimous consent to proceed for eight minutes. Is there objection?

Mr. MANN. Mr. Chairman, I hope the gentleman will withdraw that request until we read the bill under the five-minute rule. Then there will be an opportunity for him.

Mr. MOORE. I get no more assistance on one side than on the other. If I can not get time to answer a personal attack, I will ask that a quorum be present.

Mr. MANN. Well, if the gentleman wants to be nasty about that, all right.

Mr. MOORE. The gentleman does not want to be "nasty." The gentleman from Illinois does not appreciate the seriousness of the attack that was made on me. I think he was not present at the time. Several gentlemen attacked me on the ground that I was a representative of the trusts, in connection with charges against an Army officer that I believe to be vicious and long since exploded.

Mr. MANN. But the gentleman from Pennsylvania understands that under the practice, where the House fixes the time for general debate, the committee has no authority to extend general debate.

Mr. MOORE. I understand that; and that is the reason why I made my personal request for unanimous consent.

Mr. MANN. You can do it when we read the bill under the five-minute rule.

Mr. MOORE. I have made the request. Since my party leader desires me to withdraw it, I withdraw it.

The CHAIRMAN. The gentleman from Georgia [Mr. BARTLETT] is recognized.

Mr. BARTLETT. Have we 40 minutes left on this side, Mr. Chairman?

The CHAIRMAN. The gentleman has 37 minutes left.

Mr. BARTLETT. Mr. Chairman, as I said the other day at the opening of this debate, this bill carries \$165,000,000 for pensions. That amount will be reduced by an amendment, to be offered when the bill is considered under the five-minute rule, by making it \$164,000,000, at the request of the Secretary of the Interior.

We had hoped that this pension-roll expense would be diminished, but it has not been so diminished. The act of 1912, known as the Sherwood Act, has, besides compelling us to pay \$15,000,000 the first year to increase the pension amount, added over \$62,000,000 during the past two years. According to a statement made by the Commissioner of Pensions in the hearing before the Committee on Appropriations, the amount by which the act of 1912 would increase it would be something over \$62,000,000.

That is the reason why we have not been able to reduce the amount. We know, Mr. Chairman, that that act is a pension-service act, not for disabilities or for wounds or diseases incurred in the service. Any man who served in the Army of the United States during the Civil War for the period of 90 days is entitled, when he arrives at a certain age, to go upon the pension roll at so much per month, and there is a large number of them on the roll for that reason now.

I undertook to investigate what the Civil War has cost us in the way of pensions. Since that war we have paid out in pensions \$4,500,000,000. In addition to that, the Government of the United States, in 1866 and at other times, has appropri-

ated \$140,481,178.86 for bounties paid to men who enlisted in that service. Various States of the Union, for the purpose of securing the enlistment of men who enlisted or were drafted, paid the sum of \$285,941,036. This amount was paid to men who enlisted in the Army, in the way of bounties.

The men who received these bounties from the States, in most instances amounting to \$1,500 each, are the men whom the legislation of this Congress has placed upon the pension roll for mere service. I have no protest to make against this Government pensioning soldiers in the United States Army who suffered wounds or disease from their service. I have great honor and respect for the real soldier upon the Union side, as I have great honor and respect and love and affection for those who served in the Confederate Army, but I have not enough respect and regard for the man who enlisted for only 90 days, who, when he enlisted, received from \$500 to \$1,500 bounty from the State where he enlisted or was drafted before he would enlist, and who now comes to Congress and secures congressional action which entails this burden of \$62,000,000 additional upon the people in less than two years.

I desire to call attention to this list containing the amounts paid by each State for these bounties.

Table exhibiting, by States, the aggregate colored and drafted troops furnished to the Union Army, 1861-1865, with bounties paid by States.

| States and Territories. | Colored troops furnished, 1861-1865. | Number drafted. | Bounties paid by States. |
|-------------------------------------|--------------------------------------|-----------------|--------------------------|
| Connecticut..... | 1,764 | 12,031 | \$6,887,554 |
| Maine..... | 104 | 27,324 | 7,837,644 |
| Massachusetts..... | 3,966 | 41,582 | 22,965,550 |
| New Hampshire..... | 125 | 10,806 | 9,636,313 |
| Rhode Island..... | 1,837 | 4,321 | 820,769 |
| Vermont..... | 120 | 7,743 | 4,528,775 |
| New England States..... | 7,916 | 103,807 | 52,676,605 |
| New Jersey..... | 1,185 | 32,325 | 23,868,967 |
| New York..... | 4,125 | 151,488 | 86,629,228 |
| Pennsylvania..... | 8,612 | 178,873 | 43,154,987 |
| Middle States..... | 13,922 | 362,686 | 153,653,182 |
| Colorado Territory..... | 95 | | |
| Dakota Territory..... | | | |
| Illinois..... | 1,811 | 32,085 | 17,296,205 |
| Indiana..... | 1,537 | 41,158 | 9,182,354 |
| Iowa..... | 440 | 7,548 | 1,615,171 |
| Kansas..... | 2,080 | 1,420 | 57,407 |
| Michigan..... | 1,387 | 22,122 | 9,664,855 |
| Minnesota..... | 104 | 10,796 | 2,000,464 |
| Nebraska Territory..... | | | |
| New Mexico Territory..... | | | |
| Ohio..... | 5,092 | 50,400 | 23,557,373 |
| Wisconsin..... | 165 | 38,395 | 5,855,356 |
| Western States and Territories..... | 12,711 | 203,924 | 69,229,185 |
| California..... | | | |
| Nevada..... | | | |
| Oregon..... | | | |
| Washington Territory..... | | | |
| Pacific States..... | | | |
| Delaware..... | 954 | 8,635 | 1,136,599 |
| District of Columbia..... | 3,569 | 14,338 | 134,010 |
| Kentucky..... | 23,703 | 29,421 | 692,577 |
| Maryland..... | 8,718 | 29,319 | 6,271,992 |
| Missouri..... | 8,344 | 21,519 | 1,282,149 |
| West Virginia..... | 196 | 3,180 | 864,737 |
| Border States..... | 45,184 | 106,412 | 10,383,064 |
| Alabama..... | 4,969 | | |
| Arkansas..... | 5,526 | | |
| Florida..... | 1,044 | | |
| Georgia..... | | | |
| Louisiana..... | 3,486 | | |
| Mississippi..... | 17,869 | | |
| North Carolina..... | 5,035 | | |
| South Carolina..... | 5,462 | | |
| Tennessee..... | 20,133 | | |
| Texas..... | 47 | | |
| Virginia..... | | | |
| Southern States..... | 63,571 | | |
| Indian Nation..... | | | |
| Colored troops ¹ | | | |
| Grand total..... | 173,079 | 776,829 | 285,941,036 |
| At large..... | 733 | | |
| Not accounted for..... | 5,083 | | |
| Officers..... | 7,122 | | |
| Total..... | 186,017 | | |

¹ This gives colored troops enlisted in the States in rebellion; besides this there were 92,576 colored troops included (with the white soldiers) in quotas of the several States; the third column gives the aggregate of colored, but many enlisted South were credited to Northern States.

| | Gross expenditure. | Expenditure growing out of the war. |
|---|--------------------|-------------------------------------|
| Bounty to Volunteers and Regulars on enlistment. | \$38,522,046.20 | \$38,522,046.20 |
| Bounty to Volunteers and their widows and legal heirs. | 31,760,345.95 | 31,760,345.95 |
| Additional bounty, act of July 28, 1866. | 69,998,786.71 | 69,998,786.71 |
| Collection and payment of bounty, etc., to colored soldiers, etc. | 168,158.11 | 268,158.11 |

In addition to that Congress in 1866 paid back bounties and bounties amounting to \$66,000,000, which, added to the others, makes a total of \$140,481,178.86. So that the States, in order to secure these men to enlist, men who had to be drafted, paid this enormous sum of \$285,941,000; and after being drafted or after enlisting, even if they served but 90 days, they are now to receive these pensions under this law.

I do not propose to criticize that law. I endeavored to do so when it was passed. I make these statements for the purpose of calling the attention of the country to the enormous amount that the people have burdened themselves for in the past and propose to burden themselves for in the future, not to men who fought from motives of patriotism, not to men who were wounded or who contracted disease, but men who became soldiers for pay, and who have never forgotten the proposition that they had to be paid to enlist, and who are now still paid by remaining on the pension rolls.

I ask unanimous consent to insert this statement in the RECORD, and also the report of the committee.

The CHAIRMAN. The gentleman asks unanimous consent to extend his remarks in the RECORD by incorporating the matter referred to. Is there objection?

There was no objection.

The report on the pension appropriation bill is as follows:

[House Report No. 1320.]

The Committee on Appropriations, in presenting the bill making appropriations for the payment of invalid and other pensions for the fiscal year 1916, submit the following in explanation thereof:

The estimates on which the bill is based will be found on page 473 of the Book of Estimates for 1916, and amount to \$166,100,000.

The accompanying bill appropriates \$165,100,000.

The following statement gives, by appropriate title of expenditure, the amounts appropriated for 1915, the estimates for 1916, and the amounts recommended in the accompanying bill for 1916:

| Title of expenditure. | Appropriations for 1915. | Estimates for 1916. | Recommended for 1916. |
|---------------------------------|--------------------------|---------------------|-----------------------|
| Payment of pensions..... | \$169,000,000 | \$166,000,000 | \$165,000,000 |
| Fees of examining surgeons..... | 150,000 | 100,000 | 100,000 |
| Total..... | 169,150,000 | 166,100,000 | 165,100,000 |

The reduction from \$169,000,000 for 1915 to \$165,000,000 for 1916 in the appropriation for payment of pensions is in accordance with the annual estimates submitted to Congress and is approved by the Commissioner of Pensions in statements made by him to the committee.

The reduction in the amount for payment of fees of examining surgeons in pension cases is also in accordance with the estimates and the recommendation of the Commissioner of Pensions from \$150,000 for 1915 to \$100,000 for 1916. This service is largely diminished for the reason that many who are put on the pension roll now because of age and service are not required to submit to medical examination.

ECONOMIES FROM ABOLISHING PENSION AGENCIES.

The pension appropriation act for the fiscal year 1913 abolished the 18 separate agents for the payment of pensions, at \$4,000 each, and created in their place a single disbursing officer at \$4,000, through whom all payments should be made. This change in the manner of paying pensions has been in operation for two years and has resulted not only in greater facility in the handling of pension disbursements but has resulted in the gratifying reduction of \$145,000 annually in the cost of paying pensions.

ESTIMATED INCREASE IN COST OF PENSIONS DUE TO ACT OF MAY 11, 1912.
[Pension Hearings, 1916, p. 12.]

The number of pensioners on the roll under the act of May 11, 1912, the amounts paid out to such pensioners, and the average

annual value per pensioner by fiscal years, as shown in the annual reports for 1912, 1913, and 1914, are as follows:

| Date. | Number of pensioners. | Amount paid. | Average annual value. |
|--------------------|-----------------------|---------------|-----------------------|
| June 30, 1912..... | 13,246 | \$23,929.94 | \$260.09 |
| June 30, 1913..... | 379,064 | 53,306,021.82 | 250.62 |
| June 30, 1914..... | 369,624 | 97,506,549.73 | 256.67 |

The exact additional cost to the Government for pensions, due to said act of May 11, 1912, is not obtainable, as the great body of the pensioners enrolled thereunder were gained from pensioners already on the roll under other laws, and in such cases no account of payments by differences in old and new rates is maintained, all pensions paid upon the new grant being charged to the law under which it is made, and the old rate being merged in the new from the date to which payment was last made at the old rate.

The grants under the act of May 11, 1912, have been very largely to pensioners who were on the roll under the act of February 6, 1907, as will appear by the following table, which shows the number on the roll under said latter act on the dates in the above table and gives also the amounts disbursed and the average annual values:

| Date. | Number of pensioners. | Amount paid. | Average annual value. |
|--------------------|-----------------------|-----------------|-----------------------|
| June 30, 1912..... | 233,579 | \$61,346,240.53 | \$176.41 |
| June 30, 1913..... | 16,241 | 36,376,470.43 | 170.08 |
| June 30, 1914..... | 7,158 | 2,000,203.23 | 174.76 |

The total of original allowances under the act of May 11, 1912, to claimants not on the roll under other laws for the three years noted was 1,456, and the balance was made up of transfers from the general law and the act of June 27, 1890, classes of Civil War survivors. The average annual value of these two latter classes combined for the three years was \$194.27. The average annual value of the act of February 6, 1907, class for the same period was \$173.75, and the average annual value of the three classes combined for said period was \$184.01, as against an average annual value of \$255.79 in the act of May 11, 1912, class showing an increase in annual value per pensioner in the latter class of \$71.78. In a hearing before a subcommittee of the House Committee on Appropriations on January 30, 1913, it was stated by Mr. Thompson, of this bureau, that the act of May 11, 1912, would add about \$72 per annum for each pensioner.

In view of the changes going on during the period in question in the classes named, which embrace all of the Civil War survivors on the roll, a comparison of the amounts paid out would not afford trustworthy information as to the increase in cost of pensions chargeable to the act of May 11, 1912.

The amounts paid out on account of pensions for the fiscal years 1909 to 1912, inclusive, are shown as follows:

| | |
|-----------|------------------|
| 1909..... | \$161,973,703.77 |
| 1910..... | 159,974,056.08 |
| 1911..... | 157,325,160.35 |
| 1912..... | 152,986,433.72 |

The reduction in pension expenditures by years was—

| | |
|-----------|----------------|
| 1910..... | \$1,999,647.69 |
| 1911..... | 2,648,895.73 |
| 1912..... | 4,338,726.63 |

In the absence of legislative provision as made by the act of May 11, 1912, and in view of the progressive decrease in expenditure above shown, a decrease of \$6,000,000 and over for the ensuing year 1913, and of \$8,000,000 and over for the year 1914, or, say, \$15,000,000 for the two years, would appear to be a conservative estimate.

As above shown, the amount expended in 1912 was \$152,986,433.72. With decreases for the ensuing years 1913 and 1914 by \$6,500,000 and \$8,500,000, respectively, the expenditures for said years would have been:

| | |
|------------|------------------|
| 1913..... | \$146,486,433.72 |
| 1914..... | 137,986,433.72 |
| Total..... | 284,472,867.44 |

The actual expenditures in said years were:

| | |
|------------|------------------|
| 1913..... | \$174,171,660.80 |
| 1914..... | 172,417,546.26 |
| Total..... | 346,589,207.06 |

The difference of \$62,116,339.62 might thus be taken to represent the additional cost to the Government for pensions chargeable to the act of May 11, 1912, for the period from date of its approval to the close of the last fiscal year, June 30, 1914.

TOTAL EXPENDITURES FOR PENSIONS.

The following table, furnished by the Commissioner of Pensions, shows the amounts paid by the Government in pensions to soldiers, sailors, and marines, their widows, minor children, and dependent relatives, on account of military and naval service since the foundation of the Republic:

| | |
|---|------------------|
| War of the Revolution (estimated)..... | \$70,000,000.00 |
| War of 1812 (service pension)..... | 45,950,546.86 |
| Indian wars (service pension)..... | 12,801,521.01 |
| War with Mexico (service pension)..... | 48,693,102.08 |
| Civil War..... | 4,457,974,496.00 |
| War with Spain and Philippine insurrection..... | 46,092,740.37 |
| Regular Establishment..... | 31,036,517.21 |
| Unclassified..... | 16,508,447.41 |

Total..... 4,729,957,370.94

The following table, also compiled from the annual reports of the Commissioner of Pensions, shows the number of pensioners on the roll, the annual value of pensions, the disbursements on account of pensions, the number of original applications filed, and the number of original claims allowed each fiscal year from 1879 to 1914, inclusive:

| Fiscal year. | Number of pensioners on the roll. | Annual value of pensions. | Disbursements on account of pensions. | Total number of applications filed, original. | Total number of claims allowed, original. |
|--------------|-----------------------------------|---------------------------|---------------------------------------|---|---|
| 1879..... | 242,755 | \$25,493,742.15 | \$33,664,428.92 | 57,118 | 31,346 |
| 1880..... | 250,802 | 25,917,906.60 | 56,689,229.08 | 141,466 | 19,545 |
| 1881..... | 268,830 | 28,769,967.46 | 50,583,405.35 | 31,116 | 27,394 |
| 1882..... | 285,697 | 29,341,101.62 | 54,313,172.05 | 40,939 | 27,664 |
| 1883..... | 303,658 | 32,245,192.43 | 60,427,573.81 | 48,776 | 38,162 |
| 1884..... | 322,750 | 34,456,600.35 | 57,912,387.47 | 41,785 | 34,192 |
| 1885..... | 345,125 | 38,990,985.28 | 65,171,937.12 | 40,918 | 35,767 |
| 1886..... | 365,783 | 44,708,027.44 | 64,091,142.90 | 49,895 | 40,857 |
| 1887..... | 406,007 | 52,824,641.22 | 73,752,997.08 | 72,465 | 55,194 |
| 1888..... | 452,557 | 56,707,220.92 | 78,950,501.67 | 75,726 | 60,252 |
| 1889..... | 489,725 | 64,246,582.36 | 88,842,720.58 | 81,220 | 61,921 |
| 1890..... | 537,944 | 72,052,143.49 | 106,094,250.39 | 105,044 | 66,637 |
| 1891..... | 676,160 | 89,247,200.20 | 117,312,690.50 | 696,941 | 156,486 |
| 1892..... | 876,068 | 116,879,867.24 | 139,394,147.11 | 246,638 | 234,047 |
| 1893..... | 966,012 | 130,510,179.34 | 156,906,637.94 | 119,361 | 121,630 |
| 1894..... | 969,544 | 130,120,883.00 | 139,966,726.17 | 57,141 | 39,085 |
| 1895..... | 970,524 | 130,048,365.00 | 139,807,788.78 | 45,361 | 39,185 |
| 1896..... | 970,678 | 129,485,587.00 | 138,215,174.98 | 42,244 | 40,374 |
| 1897..... | 976,014 | 129,795,428.00 | 139,949,717.35 | 50,585 | 50,101 |
| 1898..... | 993,714 | 130,968,465.00 | 144,651,879.80 | 48,732 | 52,648 |
| 1899..... | 991,519 | 131,617,961.00 | 138,355,052.95 | 53,881 | 37,077 |
| 1900..... | 993,529 | 131,534,544.00 | 138,402,130.65 | 51,964 | 40,645 |
| 1901..... | 997,735 | 131,568,216.00 | 138,531,483.84 | 58,373 | 44,868 |
| 1902..... | 999,446 | 132,152,800.00 | 137,504,267.99 | 47,965 | 40,173 |
| 1903..... | 996,545 | 133,029,090.00 | 137,759,653.71 | 52,325 | 40,136 |
| 1904..... | 994,762 | 134,130,203.00 | 141,093,571.00 | 55,794 | 44,296 |
| 1905..... | 998,441 | 136,745,295.00 | 141,142,861.33 | 52,841 | 50,027 |
| 1906..... | 985,971 | 136,237,749.00 | 139,000,288.25 | 37,212 | 34,974 |
| 1907..... | 967,371 | 140,850,880.00 | 138,155,412.46 | 43,619 | 29,945 |
| 1908..... | 951,687 | 159,495,701.00 | 153,083,086.27 | 46,619 | 37,691 |
| 1909..... | 946,194 | 160,682,870.32 | 161,973,703.50 | 35,789 | 45,086 |
| 1910..... | 921,083 | 158,332,391.82 | 159,974,056.08 | 31,777 | 28,027 |
| 1911..... | 892,098 | 164,894,237.80 | 157,325,160.35 | 30,601 | 25,519 |
| 1912..... | 860,294 | 151,558,141.40 | 152,986,105.22 | 27,692 | 22,777 |
| 1913..... | 820,200 | 171,490,784.82 | 174,171,660.80 | 27,856 | 19,346 |
| 1914..... | 785,239 | 166,449,333.26 | 172,417,546.26 | 33,869 | 19,287 |

¹ Does not include 72 pensioners, class, "Brothers, sisters, sons, and daughters" under "general law," formerly carried on the New York agency roll.

FIRST PAYMENTS.

The first payments made on new certificates each year for the past five years, with the averages, and the averages of first payments, by classes, during the past year are shown in the commissioner's report, as follows:

First payments during the last five years.

| Fiscal year. | Number. | Amount. | Average. |
|--------------|---------|----------------|----------|
| 1914..... | 97,052 | \$4,856,614.31 | \$50.04 |
| 1913..... | 433,995 | 18,250,225.00 | 42.05 |
| 1912..... | 78,781 | 4,096,502.00 | 53.00 |
| 1911..... | 93,632 | 4,842,925.00 | 51.72 |
| 1910..... | 91,448 | 4,858,504.00 | 52.13 |
| 1909..... | 124,634 | 6,489,416.00 | 52.07 |

Average first payments in each class.

| | |
|---|---------|
| Average value of first payments: | |
| In original cases..... | \$67.94 |
| In original Regular Establishment cases..... | 120.49 |
| In original act May 11, 1912, cases..... | 148.97 |
| In original act Feb. 6, 1907, cases..... | 225.67 |
| In original general law, Civil War cases..... | 90.97 |
| In original act June 27, 1890, cases..... | 188.29 |
| In original act Apr. 19, 1908, cases..... | 48.68 |
| In original War with Spain cases..... | 204.18 |
| In increase and reissue cases..... | 45.25 |
| In original War with Mexico cases..... | 149.30 |
| In original Indian wars cases..... | 143.91 |
| In all cases..... | 50.04 |

NAVY PENSION FUND.

Navy pension fund: Section 4755 of the Revised Statutes provides that Navy pensions shall be paid out of the "Navy pension fund," upon an appropriation by Congress, so far as the same may be sufficient.

The naval pension fund at present amounts to \$14,000,000, bearing interest at the rate of 3 per cent per annum, and is created under the provisions of sections 4751 and 4752 of the Revised Statutes.

The payments on account of Navy pensions during the fiscal year 1914 aggregated \$6,047,904.48.

Pensioners and amounts paid, arranged by States, insular possessions, Canal Zone, and foreign countries, during the fiscal year ended June 30, 1914.

[Report of Commissioner of Pensions, 1914, p. 34.]

| | Number. | Amount. |
|---------------------------|---------|----------------|
| STATE OR TERRITORY. | | |
| Alabama..... | 3,094 | \$679,689.92 |
| Alaska..... | 77 | 16,915.36 |
| Arizona..... | 857 | 188,265.76 |
| Arkansas..... | 8,436 | 1,853,220.48 |
| California..... | 27,742 | 6,094,362.56 |
| Colorado..... | 7,709 | 1,693,513.12 |
| Connecticut..... | 9,581 | 2,104,754.08 |
| Delaware..... | 2,491 | 547,222.88 |
| District of Columbia..... | 8,607 | 1,890,785.76 |
| Florida..... | 4,870 | 1,069,841.60 |
| Georgia..... | 2,869 | 630,261.92 |
| Idaho..... | 2,150 | 472,312.00 |
| Illinois..... | 54,078 | 11,880,748.84 |
| Indiana..... | 47,858 | 10,514,339.04 |
| Iowa..... | 26,647 | 5,853,812.96 |
| Kansas..... | 31,017 | 6,814,409.76 |
| Kentucky..... | 20,449 | 4,492,236.32 |
| Louisiana..... | 5,146 | 1,130,473.28 |
| Maine..... | 13,659 | 3,000,609.12 |
| Maryland..... | 11,914 | 2,617,267.52 |
| Massachusetts..... | 32,675 | 7,178,401.08 |
| Michigan..... | 32,842 | 7,215,087.65 |
| Minnesota..... | 12,167 | 2,672,846.56 |
| Mississippi..... | 3,840 | 843,571.20 |
| Missouri..... | 37,804 | 8,305,676.32 |
| Montana..... | 2,264 | 497,355.52 |
| Nebraska..... | 13,758 | 3,022,357.44 |
| Nevada..... | 382 | 83,917.76 |
| New Hampshire..... | 6,283 | 1,380,249.44 |
| New Jersey..... | 19,739 | 4,336,858.72 |
| New Mexico..... | 1,816 | 398,998.88 |
| New York..... | 65,369 | 14,361,155.52 |
| North Carolina..... | 3,478 | 764,047.04 |
| North Dakota..... | 2,807 | 616,641.76 |
| Ohio..... | 74,250 | 16,312,133.60 |
| Oklahoma..... | 10,916 | 2,398,026.88 |
| Oregon..... | 7,469 | 1,640,789.92 |
| Pennsylvania..... | 72,407 | 15,907,263.36 |
| Rhode Island..... | 4,293 | 943,086.24 |
| South Carolina..... | 1,623 | 356,540.64 |
| South Dakota..... | 5,164 | 1,134,427.52 |
| Tennessee..... | 16,239 | 3,567,383.52 |
| Texas..... | 8,047 | 1,767,764.96 |
| Utah..... | 983 | 215,945.44 |
| Vermont..... | 6,264 | 1,376,075.52 |
| Virginia..... | 8,341 | 1,832,350.88 |
| Washington..... | 9,522 | 2,091,792.96 |
| West Virginia..... | 10,170 | 2,234,145.60 |
| Wisconsin..... | 18,941 | 4,160,958.88 |
| Wyoming..... | 804 | 176,622.72 |
| Total..... | 779,908 | 171,337,455.61 |
| Canal Zone, total..... | 1 | 240.00 |
| INSULAR POSSESSIONS. | | |
| Guam..... | 2 | 504.00 |
| Hawaii..... | 72 | 15,816.96 |
| Philippines..... | 58 | 12,741.44 |
| Porto Rico..... | 35 | 7,688.40 |
| Total..... | 167 | 36,750.80 |
| FOREIGN COUNTRIES. | | |
| Algeria..... | 1 | 144.00 |
| Argentina..... | 12 | 2,568.00 |
| Australia..... | 98 | 20,802.00 |
| Austria-Hungary..... | 35 | 6,156.00 |
| Azores..... | 6 | 1,104.00 |
| Bahamas..... | 3 | 720.00 |
| Barbados..... | 2 | 288.00 |
| Belgium..... | 21 | 5,104.32 |
| Bermuda..... | 7 | 1,008.00 |
| Bolivia..... | 1 | 180.00 |
| Brazil..... | 6 | 1,404.00 |
| British West Indies..... | 8 | 1,998.00 |
| Bulgaria..... | 2 | 360.00 |
| Canada..... | 2,692 | 520,620.00 |
| Cape Verde Islands..... | 1 | 96.00 |
| Chile..... | 11 | 3,030.00 |
| China..... | 18 | 4,067.16 |
| Colombia..... | 1 | 144.00 |
| Comoro Islands..... | 1 | 120.00 |
| Costa Rica..... | 3 | 702.00 |
| Cuba..... | 42 | 9,054.00 |
| Danish West Indies..... | 1 | 144.00 |

Pensioners and amounts paid, arranged by States, etc.—Continued.

| | Number. | Amount. |
|------------------------------|---------|--------------|
| FOREIGN COUNTRIES—continued. | | |
| Denmark..... | 48 | \$9,510.00 |
| Dominican Republic..... | 1 | 144.00 |
| Dutch West Indies..... | 4 | 744.00 |
| England..... | 464 | 97,998.00 |
| Egypt..... | 1 | 144.00 |
| Finland..... | 7 | 1,500.00 |
| France..... | 88 | 20,918.00 |
| Germany..... | 404 | 96,204.00 |
| Greece..... | 9 | 1,320.00 |
| Guatemala..... | 4 | 732.00 |
| Honduras..... | 6 | 1,512.00 |
| Hongkong..... | 4 | 797.88 |
| India..... | 12 | 1,926.00 |
| Ireland..... | 415 | \$5,814.10 |
| Isle of Man..... | 1 | 240.00 |
| Isle of Pines..... | 8 | 1,764.00 |
| Italy..... | 59 | 15,967.44 |
| Japan..... | 34 | 6,732.00 |
| Liberia..... | 7 | 1,380.00 |
| Luxemburg..... | 3 | 432.00 |
| Malta..... | 2 | 288.00 |
| Mexico..... | 75 | 13,662.00 |
| Morocco..... | 1 | 144.00 |
| Netherlands..... | 14 | 2,784.00 |
| Newfoundland..... | 5 | 858.00 |
| New Zealand..... | 20 | 4,086.00 |
| Nicaragua..... | 2 | 324.00 |
| Norway..... | 69 | 12,659.94 |
| Panama..... | 3 | 444.00 |
| Peru..... | 10 | 1,800.00 |
| Portugal..... | 5 | 1,296.00 |
| Russia..... | 10 | 2,040.00 |
| Samoa..... | 1 | 96.00 |
| San Salvador..... | 1 | 216.00 |
| Scotland..... | 75 | 14,750.16 |
| Seychelles Islands..... | 1 | 144.00 |
| Siam..... | 1 | 180.00 |
| Society Islands..... | 1 | 288.00 |
| South Africa..... | 12 | 2,832.00 |
| Spain..... | 6 | 1,128.00 |
| St. Helena..... | 1 | 144.00 |
| Sweden..... | 75 | 14,618.88 |
| Switzerland..... | 69 | 14,202.00 |
| Tasmania..... | 1 | 276.00 |
| Tonga Islands..... | 1 | 216.00 |
| Trinidad..... | 2 | 372.00 |
| Turkey in Asia..... | 15 | 2,886.00 |
| Turkey in Europe..... | 2 | 330.00 |
| Uruguay..... | 3 | 648.00 |
| Venezuela..... | 1 | 144.00 |
| Wales..... | 29 | 5,592.00 |
| Total..... | 5,163 | 1,034,071.88 |

SUMMARY.

| | Pensioners. | Payments. |
|---|-------------|------------------|
| Pensioners residing in States and Territories and payments to them..... | 779,908 | \$171,337,455.61 |
| Pensioners residing in insular possessions and Canal Zone and payments to them..... | 168 | 36,990.80 |
| Pensioners residing in foreign countries and payments to them..... | 5,163 | 1,034,071.88 |
| Total..... | 785,239 | 172,408,518.29 |
| Payments by Treasury Department (Treasury settlements)..... | | 9,027.97 |
| Total payments on account of Army and Navy pensions, 1914..... | | 172,417,546.26 |

CIVIL WAR SURVIVORS.

[From Report of Commissioner of Pensions, 1914, p. 5.]

The following shows the loss and percentage of loss to the pension roll by death of Civil War soldier pensioners from the year 1909 to 1914, inclusive. This is the first time that the percentages have been shown. It will be seen that the percentage of loss is increasing with the advancing age of the veterans.

Losses to pension roll, 1909 to 1914.

| Year. | On roll at beginning of year. | Loss by death during year. | Percentage of loss. |
|-----------|-------------------------------|----------------------------|---------------------|
| 1909..... | 620,985 | 32,831 | 5.2 |
| 1910..... | 593,961 | 35,312 | 5.9 |
| 1911..... | 562,615 | 35,243 | 6.2 |
| 1912..... | 529,884 | 33,981 | 6.3 |
| 1913..... | 497,263 | 36,064 | 7.2 |
| 1914..... | 462,379 | 33,639 | 7.3 |

Disbursements for pensions and for maintenance of pension system, 1866 to 1914.

| Fiscal year. | Paid as pensions. | Cost, maintenance, and expenses. | Total. | Number of pensioners. |
|--------------|-------------------|----------------------------------|------------------|-----------------------|
| 1866..... | \$15,450,549.88 | \$407,165.00 | \$15,857,714.88 | 126,722 |
| 1867..... | 20,784,789.69 | 490,977.35 | 21,275,767.04 | 155,474 |
| 1868..... | 23,101,509.36 | 553,020.34 | 23,654,529.70 | 169,643 |
| 1869..... | 28,513,247.27 | 564,526.81 | 29,077,774.08 | 187,963 |
| 1870..... | 29,351,488.78 | 600,997.86 | 29,952,486.64 | 198,686 |
| 1871..... | 28,518,792.62 | 863,079.00 | 29,381,871.62 | 207,495 |
| 1872..... | 29,752,746.81 | 951,253.00 | 30,703,999.81 | 232,229 |
| 1873..... | 26,982,063.89 | 1,003,200.64 | 27,985,264.53 | 238,411 |
| 1874..... | 30,206,778.99 | 966,794.13 | 31,173,573.12 | 236,241 |
| 1875..... | 29,270,404.76 | 982,695.35 | 30,253,100.11 | 234,821 |
| 1876..... | 27,936,209.53 | 1,015,078.81 | 28,951,288.34 | 232,137 |
| 1877..... | 28,182,821.72 | 1,034,459.33 | 29,217,281.05 | 232,104 |
| 1878..... | 26,786,009.44 | 1,032,500.09 | 27,818,509.53 | 223,998 |
| 1879..... | 33,664,428.92 | 837,734.14 | 34,502,163.06 | 242,755 |
| 1880..... | 56,689,229.08 | 935,027.28 | 57,624,256.36 | 250,802 |
| 1881..... | 50,583,405.35 | 1,072,059.64 | 51,655,464.99 | 268,830 |
| 1882..... | 54,313,172.05 | 1,466,236.01 | 55,779,408.06 | 285,697 |
| 1883..... | 60,427,573.81 | 2,591,648.29 | 63,019,222.10 | 303,658 |
| 1884..... | 57,912,387.47 | 2,835,181.00 | 60,747,568.47 | 322,756 |
| 1885..... | 65,171,937.12 | 3,392,576.34 | 68,564,513.46 | 345,125 |
| 1886..... | 64,091,142.90 | 3,245,016.61 | 67,336,159.51 | 365,783 |
| 1887..... | 73,752,997.08 | 3,753,400.91 | 77,506,397.99 | 406,007 |
| 1888..... | 78,950,501.67 | 3,515,057.27 | 82,465,558.94 | 452,557 |
| 1889..... | 88,842,720.58 | 3,466,968.40 | 92,309,688.98 | 489,725 |
| 1890..... | 106,063,850.39 | 3,526,382.13 | 109,620,232.52 | 537,944 |
| 1891..... | 117,312,690.50 | 4,700,636.44 | 122,013,326.94 | 676,160 |
| 1892..... | 139,394,147.11 | 4,898,665.80 | 144,292,812.91 | 876,068 |
| 1893..... | 156,906,637.94 | 4,867,734.42 | 161,774,372.36 | 966,012 |
| 1894..... | 139,986,726.17 | 3,963,976.31 | 143,950,702.48 | 969,544 |
| 1895..... | 139,812,294.30 | 4,338,020.21 | 144,150,314.51 | 970,524 |
| 1896..... | 138,220,704.46 | 3,991,375.61 | 142,212,080.07 | 970,678 |
| 1897..... | 139,949,717.35 | 3,987,783.07 | 143,937,500.42 | 976,014 |
| 1898..... | 144,651,879.80 | 4,114,091.46 | 148,765,971.26 | 993,714 |
| 1899..... | 138,355,052.95 | 4,147,517.73 | 142,502,570.68 | 991,519 |
| 1900..... | 138,462,130.65 | 3,841,706.74 | 142,303,837.39 | 993,592 |
| 1901..... | 138,531,483.84 | 3,868,795.44 | 142,400,279.28 | 997,735 |
| 1902..... | 137,504,267.99 | 3,831,378.96 | 141,335,646.95 | 999,446 |
| 1903..... | 137,759,653.71 | 3,993,216.79 | 141,752,870.50 | 996,545 |
| 1904..... | 141,093,571.49 | 3,849,366.25 | 144,942,937.74 | 994,762 |
| 1905..... | 141,142,861.33 | 3,721,832.82 | 144,864,694.15 | 998,441 |
| 1906..... | 139,000,288.25 | 3,523,269.51 | 142,523,557.76 | 985,971 |
| 1907..... | 138,155,412.46 | 3,809,110.44 | 141,964,522.90 | 967,371 |
| 1908..... | 153,093,086.27 | 2,800,963.36 | 155,894,049.63 | 951,687 |
| 1909..... | 161,973,703.77 | 2,852,583.73 | 164,826,287.50 | 946,194 |
| 1910..... | 159,974,056.08 | 2,657,673.86 | 162,631,729.94 | 921,083 |
| 1911..... | 157,325,160.35 | 2,517,127.06 | 159,842,287.41 | 892,098 |
| 1912..... | 152,989,433.72 | 2,448,857.31 | 155,438,291.03 | 860,294 |
| 1913..... | 174,171,680.80 | 2,543,246.59 | 176,714,927.39 | 820,200 |
| 1914..... | 172,417,546.26 | 2,066,507.15 | 174,484,053.41 | 785,239 |
| Total..... | 4,633,511,926.71 | 127,938,472.79 | 4,761,450,399.50 | |

SPECIAL ACTS.

[Report of Commissioner of Pensions, p. 43.]

Since 1861 there have been allowed by special acts of Congress 43,231 pensions and increases of pensions, of which 19,680 are now on the roll, with an annual face value of \$5,944,484. Only a part of this is properly chargeable to special acts, as most of the beneficiaries had been previously pensioned under general laws at lower rates.

From June 30, 1913, and thereafter during the Sixty-third Congress, 894 persons were included in the special acts passed at the rates specified in the summary following:

Pensions granted by special act during the Sixty-third Congress subsequent to June 30, 1913.

RATES SPECIFIED.

| | Number. |
|-----------|---------|
| \$50..... | 59 |
| \$40..... | 74 |
| \$36..... | 47 |
| \$35..... | 2 |
| \$30..... | 213 |
| \$25..... | 5 |
| \$24..... | 105 |
| \$21..... | 1 |
| \$20..... | 192 |
| \$17..... | 2 |
| \$16..... | 5 |
| \$14..... | 1 |
| \$12..... | 145 |
| \$10..... | 3 |

Inoperatives:

| | |
|-----------|----|
| \$50..... | 5 |
| \$40..... | 3 |
| \$36..... | 2 |
| \$30..... | 20 |
| \$24..... | 6 |
| \$20..... | 4 |

Total..... 894

Of the above, 153 were granted to persons not in receipt of a pension and 741 to persons then receiving smaller pensions.

The annual value of said special-act pensions is \$269,592, and the annual increase due to the same is \$115,872.

The following statement shows the number of pensions and increases of pensions granted by special acts during each Congress since March 4, 1861:

Number of pensions granted by special acts each Congress since Mar. 4, 1861.

| | |
|-------------------------------------|--------|
| Thirty-seventh (1861-1863) | 12 |
| Thirty-eighth (1863-1865) | 27 |
| Thirty-ninth (1865-1867) | 138 |
| Fortieth (1867-1869) | 275 |
| Forty-first (1869-1871) | 85 |
| Forty-second (1871-1873) | 167 |
| Forty-third (1873-1875) | 182 |
| Forty-fourth (1875-1877) | 98 |
| Forty-fifth (1877-1879) | 230 |
| Forty-sixth (1879-1881) | 96 |
| Forty-seventh (1881-1883) | 216 |
| Forty-eighth (1883-1885) | 598 |
| Forty-ninth (1885-1887) | 856 |
| Fiftieth (1887-1889) | 1,015 |
| Fifty-first (1889-1891) | 1,388 |
| Fifty-second (1891-1893) | 217 |
| Fifty-third (1893-1895) | 119 |
| Fifty-fourth (1895-1897) | 378 |
| Fifty-fifth (1897-1899) | 694 |
| Fifty-sixth (1899-1901) | 1,391 |
| Fifty-seventh (1901-1903) | 2,171 |
| Fifty-eighth (1903-1905) | 3,355 |
| Fifty-ninth (1905-1907) | 6,030 |
| Sixtieth (1907-1909) | 6,600 |
| Sixty-first (1909-1911) | 9,649 |
| Sixty-second (1911-1913) | 6,350 |
| Sixty-third (1913 to June 30, 1914) | 894 |
| Total | 43,231 |

Mr. BARTLETT. The information which I have given as to these bounties is taken from a work called "American Politics," by Mr. Cooper, a Republican, of Pennsylvania, who for a number of years was a member of the Pennsylvania Legislature and chairman of the Republican State committee in 1881-82. It is to be found on page 74 of that volume.

I get this statement with reference to the \$142,000,000 that the United States Government appropriated for bounties from a document of the Senate issued in 1879, containing a statement of the expenses of the war, and which contains the amounts of bounties paid by the United States during and immediately after the war. That document puts the total expenses of the war at \$6,189,929,908.58.

This bill carries \$164,000,000 for the next year, and we appropriated \$169,000,000 last year. There is a surplus of between seven and seven and one-half million dollars on last year's appropriation. I had hoped that we could have reduced the bill by that amount, but the Commissioner of Pensions and the subcommittee and the committee did not think proper to do so.

It seems that whenever the pension roll decreases in number and amount—and it necessarily decreases in numbers as the years go by, for 35,000 to 36,000 die and drop out every year—that new schemes are to be inaugurated and devised for continuing this enormous pension roll, larger before the present war commenced than was appropriated by the European countries for any one year. For myself I protest against this kind of legislation.

I know the bill for 1912 was passed by a Democratic House, but that does not make it one that I can favor. I repeat that the soldier who is wounded and diseased by fighting his country's battles ought to have a pension, and I would be glad to vote for it. But these bills that propose simply to give these men payment, not for wounds, not for disease, not for long service, but merely because they were on the pay roll for 90 days, does not meet with my favor. The most of them that enjoy that benefit are men who went into the Army not from patriotic motives, not to defend the flag, but because there was paid to them by the States bounties sometimes as high as \$1,500 in one case.

Mr. AUSTIN. Will the gentleman yield?

Mr. BARTLETT. Yes.

Mr. AUSTIN. Why did not the committee give the Commissioner of Pensions all he asked for?

Mr. BARTLETT. We have given him all that he asked for and more.

Mr. AUSTIN. As I read the report, it is a million dollars less.

Mr. BARTLETT. Because the commissioner reduced his estimate and then further asked us to reduce it to \$164,000,000. I have his letter here.

Mr. AUSTIN. The gentleman from Georgia complains of pensioning the soldier that had no disability. Is it not a fact that the Southern States pension soldiers who are indigent?

Mr. BARTLETT. Yes; who have no property.

Mr. AUSTIN. Then why should not the Federal Government do it?

Mr. BARTLETT. Because the Federal Government does not limit it in that way.

Now, Mr. Chairman, there are some other things that I desire to say, not relating to pensions. First, the gentleman from Pennsylvania [Mr. PALMER] this morning, in reply to my colleague [Mr. THIBBLE], said that I did not oppose a certain bill which, as far as I can learn, no House or Senate heretofore has thought proper to report and put upon the calendar, a bill to authorize the exercise of the interstate-commerce power of regulating the hours of labor of children of various States in this Union. I did not by my vote seek to oppose such a bill. I knew it was useless. I knew the forces behind that clamor paid no more attention to the restrictions of the power of this Government in that Constitution than they did on other occasions. I knew they were endeavoring to do that which Jefferson warned the people before he died, in one of his letters written after his retirement, that the interstate-commerce clause of the Constitution would be used as an elastic shield under which the Federalists would endeavor to draw all the powers of the States to the Federal Government and throttle and destroy the powers of the States.

I have lived to see in the Congresses of which I have been a Member, time and time again, when the police powers of the State were swept from it under the guise of doing some great moral thing which was solely within the power of the State to do.

Mr. Chairman, I can not better illustrate what I mean than by reading just here an editorial from a great American author, who has lived long and devoted his life to the business of editing a great newspaper—Henry Watterson, of Louisville, Ky.

When the former President of the United States, Mr. Roosevelt—who had, I hope, a good purpose, I will not say for the gratification of ambition to promulgate his doctrine of new nationalism, and had gone down to defeat in 1912—had taken himself to the jungles of South America to recuperate and come back again from Elba, Mr. Watterson wrote this:

The end of the Republic is not yet. Impiety we behold on every hand; ingratitude and folly; women quarreling with nature for not making them men; men quarreling with freedom for not leveling conditions; the visionary seeking to abolish disease and sin by act of Congress, the demagogue flattering these delusions; but the hand of God is not yet ready to descend to blight the land and blast the people.

Not yet; not yet. Maybe it will be His will to lead them through kindly light from the darkness of the hour to higher and better things. Who shall say? Anyhow, He has lifted all present menace of the Deluge. Once more He has saved the people in spite of themselves. The return of the native may have ornithological, even geographical significance, but not political importance. The man on horseback can only prance in the circus ring. Caesar never again; just plain Teddy of the tiger heart and forked tongue, wanting an office and wanting it bad, like the rest of those who have been here to-day and gone to-morrow, as presently he shall be.

Mr. MURDOCK. Mr. Chairman, I would like to ask the gentleman from Georgia if he has the editorial that Mr. Watterson wrote about Bryan and the Democrats in 1896?

Mr. BARTLETT. No, I have not; I read it.

Mr. MURDOCK. That is equally good authority.

Mr. BARTLETT. And a very good editorial, too. Mr. Chairman, I hope he is right. Mr. Chairman, 20 years ago, when I entered the Halls of this House as a representative of my State, where I have served continuously since that time with almost the unanimous indorsement of my people, both at the primaries and at the election, no such bill as that could have been championed, even by a so-called Democrat from Pennsylvania. [Laughter and applause.] I have no apologies to make to him or to anybody else for our position on this sort of a bill. When the gentleman says that this bill was aimed at a few Southern States who coined the labor of children into dollars, he made a statement that was far from correct; indeed, it was reckless. [Applause.] The gentleman said that it was in order to protect us. Mr. Chairman, on one or two occasions I have had the privilege of putting into the RECORD the laws of the State of Georgia in regard to child labor. The senior Senator from Georgia, then governor of Georgia, and the junior Senator, then a Member of the House, and myself aided in passing through the Legislature of the State of Georgia a law which protected children in the factory from being improperly worked, children under 14 years of age. We need no enlightenment; we need no assertion from the gentleman from Pennsylvania [Mr. PALMER] to know that we have done such a thing as that.

If the gentleman is so interested in taking care of the lives and bodies of the children who are working under the lawful age, then he might have devoted himself in years gone by and at the present time to cleaning up his own house in Pennsylvania. If I recall correctly, an investigation had by the direction of President Roosevelt, over which George Gray, then a circuit judge of the United States, presided, developed conditions so shocking and horrible in the mines of Pennsylvania, with reference not only to the employment of children, but of men and women, that the whole country was shocked. The gentleman

would better pull the beam out of his own eye before he undertakes to criticize or interfere with the mote in his neighbor's eye.

Mr. Chairman, that is all I desire to say in respect to that. We invite the slanderers down to the State of Georgia, where I live, so that they may see for themselves the happy condition, the safe condition, the contented condition of the many people employed in the mills, the children employed in the mills under the laws of Georgia, and if that does not show up well in comparison with the State of Pennsylvania, then I shall be ashamed. The gentleman from Pennsylvania [Mr. PALMER] would better, I repeat, sweep out the dirt and filth on this subject from the State of Pennsylvania and the mines and workshops there before he undertakes to come in here and in his unconstitutional way undertake to protect the children of Georgia. The gentleman spoke of those who opposed by their voices and by their votes this measure. I voted against it. There is not a man in this House on either side who did not know when the bill was called up and my name was called that I would vote against it.

It is not because I have not as much at heart the interest and protection of the children of the country as has the gentleman from Pennsylvania; not because I would not advocate and have not advocated in my own State legislature the enactment of laws to protect them from avarice of the mill owners, but because I know, when the fathers builded this Government and wrote into the Constitution the words that are written there limiting the power of the Government and reserving certain rights to the States, that they intended that no one like the gentleman from Pennsylvania [Mr. PALMER] should undertake to lay his hand on the sacred ark of the covenant and invade the liberties of the people of the States by enacting a law of that kind. I believe, as do many others, that this is a Government with limited powers, and that certain rights are reserved to the States; and if that be treason to the Democratic Party and to the country, then the gentleman may make the most of it. I have lived in that sort of belief and I have advocated in this House for 20 years that belief, and I shall go out of it maintaining that belief and my own self-respect. I shall go back to my people knowing that I have kept the faith, whether they approve or do not approve, or whether the gentleman from Pennsylvania approves or does not approve. I would rather retire to private life, as I shall do, with these convictions, and go down to my grave believing in them and believing that I stand for them, than have all of the cheap claptrap notoriety that people get from endeavoring to change the laws of the State by these unauthorized and unjustifiable methods.

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

Mr. BARTLETT. Yes.

Mr. MURDOCK. I realize the gentleman's sincerity, but does the gentleman expect the Supreme Court of the United States to hold the child-labor law unconstitutional?

Mr. BARTLETT. I expect the Supreme Court of the United States to administer the law as it has heretofore declared it, and to say that you can not exercise the interstate-commerce clause of the Constitution to regulate the police laws of the States.

Mr. MURDOCK. But if the Supreme Court holds that it is constitutional, what then?

Mr. BARTLETT. Then the people will have to submit to it.

Mr. MURDOCK. And in that event we would have had hold of the right horn of the dilemma and the gentleman of the wrong horn.

Mr. BARTLETT. That does not make it right. I decide these questions of constitutionality by my own convictions and not by what the Supreme Court or somebody else may say. I am the judge, and not the Supreme Court.

I did not intend to say anything on this, Mr. Chairman. I have done so because the gentleman from Pennsylvania [Mr. PALMER] threw out such a broad challenge to those of us who spoke against it and those of us who voted against it in stating that we were endeavoring to fasten upon the country wrongs perpetrated by avaricious mill owners against the children of the country.

Another thing. Mr. Chairman, I am opposed as a Democrat to any proposition looking to the Government ownership of the public utilities of this country. No Democratic platform, no Republican platform that I have ever read, and no platform of any of the great parties that have battled for the supremacy of this great Government in the last 100 years has ever advocated it. On every stump in Georgia, from the mountain to the seaboard, from Savannah to the Chattahoochee River, every Democratic candidate and speaker have rung out the protest of the Democratic fathers against so-called Government ownership or any species of Government control. That was a policy which originated as far back as 1872 with the Socialist Labor

Party. I did not believe in it then and I do not believe in it now. Men may come and men may go, parties may change and men in parties may change, but that faith I shall hold to as an abiding truth. I have kept it and I propose to keep it on all occasions, however much I may regret that the occasion arises when I shall have to assume that position and give expression to my opinion in opposition to my party. I see no difference between Government ownership of railroads and Government ownership of ships that ply the seas. In truth, I would rather under the operation of government vote for Government ownership of railroads than I would for Government ownership of ships, because the United States Government has the right to exercise the power of eminent domain through the States, also to condemn a right of way for its highways to carry the mails or military supplies, or build railroads under the commerce clause of the Constitution, as the Supreme Court has said, but whoever, until this month or this year, ever proclaimed the doctrine that the United States Government had the right to condemn a highway across God's highway, upon the seas of the world, which is God's highway, 3 miles from shore.

No man is prohibited from going upon it or sailing upon it, and you can not exercise a power or sovereignty or force and say you condemn it and use it. So I found myself disagreeing with the policy of my party, the policy advocated by my friends in this House. I declined to accept it. I have the greatest admiration, affection, and respect for the man in the White House. I think he is one of the greatest Presidents whom we have had in many decades in this country—a sincere, true patriot. I do not propose and have not proposed to indulge in any sycophantic praise of him. I took my political life in my hands in the primaries in 1912 in my district in advocating his nomination, and some who are now shouting his praises were fiercely attacking him.

I stood up for him and carried my particular section for him in the primary. I thought in 1912, as I think now, that he was the best man of all the candidates we could nominate for the Presidency and the only man we could elect. He is a manly man; he has opinions of his own, and when occasion arose which called upon him to do so he asserted those principles and voted them or remained quiet and did not support the candidates who represented the principles he could not accept. I claim the same right to vote and voice those principles that I have believed in all my life, whether in the Democratic caucus or in the House. I exercised this right in the Democratic caucus. The Democratic caucus has formulated a rule by which a man who could not support a measure that contravenes his view of the Constitution of the United States or which violates the pledge which he had made to his people could be excused from supporting a caucus measure.

But these small men who undertake to enlarge their proportions by standing in the glaring light that beats around the White House go around and glibly talk about "bolters." They want front seats and front places in the White House light; they who hold up their hands and shout, like Demetrius of old, "Great, great is Diana of the Ephesians." So they shout, "Great, great is Woodrow Wilson in the White House." [Applause.]

As Demetrius said when St. Paul undertook to tell him about the Christian religion and the wonders which Christ and His disciples had worked, when he undertook to preach the doctrine of Christianity, Demetrius urged the people to stone him because it interfered with Demetrius's business. And so these shouters for Wilson would have it done to us. I do not care if they stone me like Demetrius would have stoned St. Paul because we interfered with their business of patronage. [Laughter and applause.] Why, I am ready to be stoned; I am ready to be pilloried in the white light of public opinion of my State and of my constituency; and if I can not show them that I stood for the faith of the fathers, that I exercised a right that a Democratic caucus gave me when we organized the Democratic caucus, then I must accept the consequences; but I would rather wrap the robes of private station around me and retire to my home and serve the balance of my life as a private citizen than to be forced by any sort of demand to lose my respect.

I can lose office and be satisfied. I can lose the good opinion or approval of those men who have one opinion to-day and another to-morrow, but I can not go to my home and my people with my self-respect gone, and tell them that I did it by the dictation of anybody, and I will not do it. [Applause.]

Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The time of the gentleman has expired.

Mr. BARTLETT. Mr. Chairman, I ask leave to extend my remarks, by putting in extracts from the National Magazine, which gives a statement of the various instances where States

have undertaken government ownership of railroads and have failed. I ask to put that in.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent to extend his remarks in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

The article referred to is as follows:

GOVERNMENT OWNERSHIP OF UTILITIES.
(By William Clayton.)

"Government ownership and operation is not an entirely new proposition in this country, for minor ventures were made as far back as colonial days, most of which were financial failures. Prior to 1860 appropriations exceeding \$12,000,000 had been made by Congress for the construction of Government-owned transportation projects, but the most searching investigations which students of political economy have made have brought to light nothing remarkable except the fact that no financial success followed these undertakings.

"The older States have had the most disappointing experience with practically every project they have launched, and a very interesting volume could be compiled from the records of government owned and operated canals in some of the Eastern States. The figures would be appalling, and they would indicate a waste of money far beyond all reason. Outside of New York State the great majority of canal projects have either been abandoned or turned over to private ownership; and even in New York State no one would venture to assert that the canals have been other than a gigantic failure except so far as they have assisted in the development of the territory through which they were built. As enterprises standing alone, the financial losses have been colossal.

"History shows that several American States have owned and operated steam railroads, only to abandon them as unprofitable and therefore unsuccessful. The only Government railroads in this country to-day are the Panama Railroad, operated by the Federal Government, and a short road in Texas known as the Penitentiary line. (The apparent success of Government operation of the Panama Railroad is due to excessively high rates and monopolization of the traffic. For instance, the Panama Railroad's average freight rate in the fiscal year 1913 was a trifle short of 3½ cents per ton per mile, which was more than four times greater than the average of the privately owned railroads of the United States—three-quarters of a cent per ton per mile.) Georgia and North Carolina own certain railroads, which were built several years ago, but they are now leased and operated by private companies. Before going out of the railroad business these States encountered disastrous experiences in the operation of the system. Probably no better account of an unsuccessful experience may be found than the story told by Hon. T. B. Wamock, formerly judge of the Supreme Court of North Carolina, who wrote, in 1906: 'This road (from Goldsboro to Morehead City) has been operated by the State of North Carolina for nearly half a century, in war and peace, by Democrats, by Republicans, and by fusionists, with various degrees of failure.

"The private stockholders for years have pleaded for a lease or anything to avoid a continuance of political mismanagement. During these many years no dividend has been earned, though one or two presidents declared dividends of 1 or 2 per cent per annum for political effect, when such moneys should have been used in betterments. Finally, during the administration of Gov. Aycock, it became known that the administration had determined to heed the cries of the private stockholders and the sound business judgment of the people of the State and to lease this last of the State's railroads. A great sigh of relief went up from mountain to sea. The effect of the lease was immediate. The first year of private management improved the roadbed and equipment to a point never before approached. The road is being extended and new connections made and is run upon business as opposed to political methods. The service, both passenger and freight, has been nearly doubled, and favoritism has been abolished."

"The experience of Cincinnati, which owns the Cincinnati & Southern Railroad, has been nothing but unsatisfactory from a financial standpoint.

"Missouri has had a most unfortunate experience in railroad construction and operation, and it is stated that its losses in this line of endeavor amount to approximately \$25,000,000.

"The State of Pennsylvania is said to have lost about \$20,000,000 in its railway projects. This loss resulted from its experience with the old Philadelphia & Columbia Railroad.

"Indiana started out in the late thirties to demonstrate its faith in public ownership, but, after a year's experience as an owner and operator of the Madison & Lafayette road, frankly admitted its failure and stopped the losses after a million and a half had been sunk in the enterprises.

"These illustrations are not the only unsuccessful experiences that American States have encountered with public ownership and operation. Unfortunately, a complete story of these failures has never been written, and as many of them occurred before our present generation the precedents have not been sufficiently considered. When these failures are better understood they will aid in forming correct conclusions regarding the wisdom of municipalizing everything in sight.

"The commissioner of accounts of the city of New York recently reported to the mayor that the net loss from operating the Staten Island ferry for seven years was \$4,450,699. The city's loss on the Staten Island ferry proper, coupled with the loss on what is known as the Thirty-ninth Street division, a Brooklyn ferry, has been \$6,625,000, an average of \$2,934 a day. Gazing at these figures, and then contemplating the fact that these ferries paid when they were privately operated, can not but dampen the ardor of any municipal ownership enthusiast.

"Every government of municipal enterprise is exposed to political outbidding of one politician by another. Government employees become electoral factors in proportion to the increase of Government and municipal activities. They become the actual masters of those to whom in theory they are subservient.

"In the Municipal Trading Report, Sir Thomas Hughes, twice mayor of Liverpool, states: 'The day on which a man becomes the employee of a municipal corporation he ought to have no further voice in the choice of his superiors.'

"The New York World recently states:

"Nominally the civil-service employees of New York are public servants. In reality they are public masters.

"The original civil-service laws were enacted to protect faithful public servants from political bosses and to safeguard the public business from the demoralization of public welfare. We have protected all these employees from the boss, but we have got to devise means to protect the public from its employees. No corporation would dare take the aggressive stand against public regulation that these civil-service employees take.

"New York has a written charter, but it is only a matter of form. The real charter of New York is to be found in the decrees of 60,000 and more civil-service employees, all organized against their employers, the people of New York. They are all despots of our democracy."

"One difficulty common to most forms of government ownership arises from the necessity of dealing with a large number of employees. The tasks of a government, whether it be a nation or a municipality, are sufficiently varied and comprehensive to take up all the ability and time of the administrators, without adding unnecessarily to their duties. In public ownership there is a multiplication of the activities of government which brings about vexatious interference with liberty and a restriction upon legitimate enterprises. In other words, instead of the liberties of the people being protected they are curtailed."

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

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio? [After a pause.] The Chair hears none.

Mr. KAHN. Mr. Chairman, I make a similar request.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. LANGLEY. Mr. Chairman, I make a similar request.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the payment of pensions for the fiscal year ending June 30, 1916, and for other purposes, namely:

Mr. MANN. Mr. Chairman, I move to strike out the last word. I ask unanimous consent that the gentleman from Pennsylvania [Mr. MOORE] may proceed for 10 minutes as though it were in general debate.

Mr. BARTLETT. Mr. Chairman, I hope that will be done, and I join with the gentleman from Illinois in that request.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the gentleman from Pennsylvania [Mr. MOORE] may proceed for 10 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE. Mr. Chairman, I am obliged to the gentleman from Illinois, also the gentleman from Georgia, for this courtesy at this time. It is rather belated, since what I have to say could have been more appropriately said at the time the discussion was on. I rise now to say a word or two with respect

to a practice that has grown up here of criticizing men who are not present. I do not mean to reflect upon the gentleman from Georgia, for instance, who has just made a very severe attack upon my distinguished colleague, the gentleman from Pennsylvania [Mr. PALMER], inviting a reply that I presume, in due course, will be made in defense of the child-labor bill, but I do think some Member in this House should rise when a statement is being made about an individual who is not here, which statement involves a charge of corruption concerning individuals who are not present to defend themselves.

Now, I have no desire to question the motives of the gentleman from Illinois [Mr. TAVENNER]. He has started out on a line of investigation which is special to his particular district and he endeavors to broaden it so that it will attract general attention. But when he comes into the House and asks leave to have read a statement, which statement he represents to be a response to a very lengthy attack made by him in the RECORD, and which does not upon its face appear to be a statement of the person to whom it is attributed, it is entirely regular, fair and just that some one—it happened to be me in this instance—should rise and question the authenticity of the statement.

In the CONGRESSIONAL RECORD of February 15 our very industrious colleague from Illinois [Mr. TAVENNER] inserted a speech of more than 22 pages in length, which is a direct attack upon the War and the Navy Departments, and which throughout breathes the spirit of corruption and of graft, and which in some instances directly asserts that officers of the Government serving under our distinguished Democratic President, Woodrow Wilson, are in league with certain trusts and combinations for the purpose of making money and making it corruptly.

Mr. TAVENNER. Will the gentleman yield?

Mr. MOORE. I can not yield just now. The gentleman from Illinois [Mr. TAVENNER], having gone thus far in the RECORD, proceeds this morning, under time granted to him by the gentleman from Georgia [Mr. BARTLETT], to have read an article from a newspaper, which, according to his statement, is in answer to his lengthy speech of February 15. The gentleman from Illinois stated in his address of this morning—a stenographic copy of this address being before me—that he, the gentleman from Illinois, having called attention to the fact that—

Four firms, which constitute the War Trust of this country, have drawn down \$175,000,000 worth of contracts from the Government for munitions of war, and that Army and Navy officers have permitted these four concerns to outrageously overcharge the Government for every dollar's worth of those supplies—

therefore he calls attention to the fact that Gen. Crozier—and that comes very close to an implication that Gen. Crozier is one of the officers who is permitting the Government to be "outrageously charged"—

That Gen. Crozier, the present Chief of Ordnance, who does the buying of these supplies for the Army, was formerly in partnership with the Bethlehem Steel Co.; that he was in partnership with them on the day he was made Chief of Ordnance—

And so forth. Having made this fling, the gentleman from Illinois says:

My attention has been directed to an answer by Gen. Crozier to the charges which I have made, and I think, in fairness to Gen. Crozier and in order that his views may be in the RECORD, as mine have been placed in the RECORD—

And so forth. That this alleged statement by the general should be read from the Clerk's desk, and so forth.

Now, it was patent to every Member who listened to the newspaper article which the gentleman sent up to the Clerk's desk to be read that it did not emanate from Gen. Crozier; that it was just as I said when breaking into the reading of the article, observing that it was unfair, that the article itself represents a man of straw set up to be knocked down. That is to say, the gentleman from Illinois, having made his charges, 22 pages in length, which charges have not been responded to, discovers a newspaper dispatch saying that Gen. Crozier contemplated doing so and so, and that Gen. Crozier might reply. That is the only basis for the statement of the gentleman from Illinois that Gen. Crozier proposed to do anything.

I said that this was not a fair method of procedure, and I was interrupted by certain calls from the floor, indicating that I was very much out of order and that I ought not to proceed. Now, in the speech of the gentleman from Illinois of February 15, after he has roasted Gen. Crozier, he says very much as he says in offering this newspaper statement about this man of straw, this bugaboo that he intends to knock down:

I do not desire to do Gen. Crozier the slightest injustice, and, on the other hand, I am equally anxious that no injustice be done the taxpayers of this country.

He compliments the general, but he proceeds to lambast him just about as severely as a first-class, energetic newspaper writer is capable of doing, and the gentleman from Illinois [Mr. TAVENNER] is all that.

Now, in the course of my effort to reply briefly to the newspaper statement that was read, in order to explain that it was not a statement from Gen. Crozier, in order to have it appear in the RECORD that something was being used that was not, apparently, furnished by Gen. Crozier, there came certain objections, cries of "Sit down," cries of "the gentleman is out of order," suggestions, and catcalls from Members who did not address the Chair that I "should take my seat"; suggestions that I was the representative of the Steel Trust. Although some of them were undoubtedly jocular, these suggestions about the trusts came from the gentleman from Missouri [Mr. BORLAND], from the gentleman from Illinois [Mr. TAVENNER], from the distinguished and always deliberate gentleman from Illinois [Mr. FOSTER], and they also came with some explosive violence from the distinguished Democratic interrupter of the House, the gentleman from Ohio [Mr. GORDON].

These gentlemen said that because I was endeavoring to play fair and have the House do the decent thing toward a Federal officer under a Democratic administration, who was not here, that I was speaking in the interest of trusts and combinations. Of course, to me that insinuation is the veriest joke. To my constituents it would be laughable. Those who know me and have watched me here know that I have been as outspoken on this floor against illegal trusts and combinations as any Democrat ever dared to be. I have not even fallen in with the more recent Democratic notions that the Shipping Trust must be taken care of by the purchase of foreign ships; that the Railroad Trust must be taken care of, even from the White House, by increasing the freight rates in order that the railroads may have larger profits; that the Oil Trust and the Cotton Trust may have more protection by the purchase of ships to enable them to make more money; that the great shippers and exporters of the country must have an insurance company, paid for by the money of the people, in order that exporters may loot the people a little. All these things I have not fallen in with under this Democratic administration. I have protested against the modern Democratic forgetfulness of the common people of the land and their falling into hands of the trusts. I have wondered why they did it, whether it was for the purpose of securing campaign funds or not I do not know. It may have been to get on the right side of the "big interests" with the hope of continuing the last Democratic administration for another term.

Mr. WALSH. Will the gentleman yield?

Mr. MOORE. I will not yield. I have not been able to agree with the gentlemen who represent the trusts of this country upon the Democratic side of this House—

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORE. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. The gentleman asks unanimous consent to proceed for five minutes.

Mr. BARTLETT. I hope it will be granted.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. WALSH. Mr. Chairman, will the gentleman yield for a brief question?

The CHAIRMAN. Does the gentleman from Pennsylvania yield to the gentleman from New Jersey?

Mr. MOORE. Well, as the gentleman is the special representative of the President of the United States, who recently received 62 representatives of the "big interests" in order that a better understanding might be had as to how the business of the country could be restored and normal conditions be resumed, I will yield to the gentleman.

Mr. WALSH. Does the gentleman infer that the President of the United States coerced the Interstate Commerce Commission?

Mr. MOORE. Oh, I make no such intimation. It is a fact, however, and the gentleman may ponder over it, that after the railroad presidents of the United States visited the White House and told the President their troubles, the President of the United States did issue a statement, saying that the railroads ought to have consideration, and that the freight rates ought to be increased. It has happened that the Interstate Commerce Commission has taken the same view of the situation that the President did, and has granted an increase of rates. Under a Democratic administration that formerly stood for the down-trodden people of the land and was forever against private monopolies, and particularly against railroad domination, that is pretty good.

Mr. WALSH. Let the gentleman be fair to the President, and say—

Mr. MOORE. That is as far as I can yield to the gentleman.

Mr. WALSH. The gentleman ought to know that he did not coerce the Interstate Commerce Commission.

Mr. MOORE. I did not say so. If the gentleman is going to be the President's sole defender on this floor—

Mr. WALSH. I do not pretend to be the President's sole defender on this floor—

Mr. MOORE. Why, then the gentleman will be the only Democrat who has responded to the Washington Post's Macedonian cry for help from Democratic Members to stand up and defend the President against the so-called vicious attacks that the Republicans are poking into the present administration. [Applause and laughter on the Republican side.]

Mr. WALSH. The gentleman should be fair.

Mr. MOORE. I am as fair as I can be under the circumstances. People who were prosperous in the gentleman's own district under the last Republican administration are now out of work. The people employed in the potteries up there are now seeking employment. They lost it because they voted for the gentleman's friend, now the President of the United States. They had the false notion that they could have continued prosperity under a low-tariff system. The gentleman knows that very well, because the slogan of the gentleman's campaign was "Walsh works with Wilson"; the result was that Walsh was left at home. I think the people of Trenton will verify that.

Mr. WALSH. Sometimes merit is not recognized at first, and there is still hope. [Laughter and applause.]

Mr. MOORE. The outlook is not very cheerful.

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

Mr. MOORE. Gladly, if the gentleman will give me more time.

Mr. BARTLETT. I want to ask the gentleman a question.

Mr. MOORE. Yes.

Mr. BARTLETT. Does the gentleman think that a real Democrat at any time takes suggestions from the Washington Post as to what a Democrat ought to do?

Mr. MOORE. Well, sometimes the Post speaks out only in the interest of the Democratic Party. Its editor and proprietor is an excellent Democrat; he gives the party good advice from time to time. [Laughter.]

It seems to me that it ought to be stated now, in view of the protests that arose from the Democratic side a moment ago against a Republican Member daring to take his feet to even ask for fair play for a Democratic officeholder, that we ought to find out the origin of the case. I do not know whether Gen. Crozier is a Republican or a Democrat, and I do not care. I have not taken the trouble to call up Gen. Crozier or any of his friends to find out what his attitude is on these charges that the gentleman from Illinois [Mr. TAVENNER] has brought against him. I do not know whether he knows that his name was used in this body to-day or not. I speak only in the interest of fair play, and just now I am endeavoring to trace the origin of the man whom the Democrats did not want defended on this floor a little while ago, but whom they apparently desired to denounce, and whom they would connect with the great trusts of this country.

Let us see where he came from. I understand he was a captain in the Bureau of Ordnance some years ago, and that he was the inventor of what is called the disappearing gun carriage. I am not going into details, because they are technical, and I have not the finesse in that regard of my distinguished friend from Alabama, Capt. Hobson. But in a departmental report signed by the Hon. Daniel S. Lamont, Secretary of War, and a very clever Democrat he was, I find this—the report was for the year 1894:

The establishment of type disappearing gun carriages for 8-inch and 10-inch guns, invented by officers of the Ordnance Corps and believed to be unequalled for rapidity and simplicity of action by any carriage elsewhere in use, is a notable achievement of the year. This problem solved, the armament of our harbors may now be prosecuted as rapidly as means are available.

At the date of the last annual report of the department a selection of a type carriage for 8 and 10 inch guns was expected within a few months. Since then the 8-inch Buffington-Crozier disappearing carriage has been tried with results, as stated by the Board of Ordnance, exceeding for rapidity and smoothness of operation the most sanguine expectations of this board. The carriage is the combined invention of Col. Buffington and Capt. Crozier, of the Ordnance Department, and reflects credit on the inventive skill of American officers.

It is a satisfactory solution of one of the most difficult problems which has confronted military science.

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

Mr. HOBSON. Mr. Chairman, I move to strike out the last word.

Mr. MOORE. Mr. Chairman, Daniel S. Lamont signed this report. He was a Democrat. It was indorsed by Grover Cleve-

land, a great Democratic President; and the origin of the scandal against Col. Buffington and Capt. Crozier started with the Democratic administration in 1894. [Applause on the Republican side.]

In extending these remarks, Mr. Chairman, I wish to say that the charges of the gentleman from Illinois seem to have been exploded long ago. The Committee on Military Affairs and the Committee on Appropriations and the House itself have grown tired of thrashing over this matter. If there was anything wrong with Gen. Crozier, why did Grover Cleveland in his annual message to Congress, December 7, 1896, referring to the invention of Capt. Crozier, say this:

During the same year, immediately preceding the message referred to, the first modern gun carriage has been completed and 11 more were in process of construction. All but one were of the nondisappearing type. These, however, were not such as to secure necessary cover for artillery gunners against the intense fire of modern machine rapid-fire and high-power guns.

The inventive genius of ordnance and civilian experts has been taxed in designing carriages that would obviate this fault, resulting, it is believed, in the solution of this difficult problem.

Apparently Gen. Crozier has had the confidence of every administration from the days of Grover Cleveland down to the present time. He appears to have the confidence of the administration of Woodrow Wilson, and I am at a loss to understand why, if he began with Cleveland and continues under Wilson, there should be any good reason for refusing him a decent hearing in a Democratic House of Representatives. It is not my case; it is yours.

Mr. HEFLIN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Alabama is recognized.

Mr. HOBSON. Which gentleman from Alabama?

The CHAIRMAN. The gentleman from Alabama [Mr. HEFLIN].

Mr. MOORE. Mr. Chairman, I ask unanimous consent to extend and revise my remarks.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. MOORE] asks unanimous consent to extend and revise his remarks. Is there objection?

There was no objection.

Mr. HEFLIN. Mr. Chairman, a good many things have been said about the President coercing the Democrats into supporting the shipping bill. I think I know the sentiment on this side. Two-thirds of the Democrats over here were for the bill.

Mr. MADDEN. Two-thirds?

Mr. HEFLIN. Yes; and only 16 excused themselves, and of those, only 14 finally voted against the bill. The Progressives on that side voted with us, and I am not sure but that one or two Republicans did.

A MEMBER. Oh, no.

Mr. HEFLIN. Well, the Republicans may have voted solidly against the bill.

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

The CHAIRMAN. Does the gentleman from Alabama yield to the gentleman from Pennsylvania?

Mr. HEFLIN. Yes.

Mr. TEMPLE. I know the gentleman wants to be accurate. Five Progressives voted for the bill and seven voted against it.

Mr. HEFLIN. Well, then, Mr. Chairman, that is one time that the minority of the Progressives were in the right, and the majority was in the wrong. [Applause.]

I knew the bulk of the Republican Party stood that way. The President of the United States does not need any defense at the hands of anybody here. His great work speaks for itself. The Republican Party is taking advantage of a distressing condition that exists in this country on account of war. One half the world is at war and business is disturbed along various lines. You are playing politics at a time when you ought to be supporting, with all your heart and head, this great chief in the White House. You are undertaking at this time to play politics; but, gentlemen, it is going to turn on you, and we are going to turn it on you in the campaign of 1916. The people will have learned long before then that conditions which are distressing business were brought about by the war in Europe. You are going to tell them and you have been telling them that it is caused by the tariff. Canada has a high tariff, and yet business is in an awful fix in Canada, and it is war that has caused it. War has injured conditions there just as war has injured conditions here.

Mr. FOWLER. Has not Germany the highest protective tariff of any country in the Eastern Hemisphere?

Mr. HEFLIN. And yet gentlemen will say that the war had nothing to do with disturbed business conditions in Germany. They would say that it is the Democratic Party in the United States that has done it, and that is what they would

have the people believe. But you can not fool the people with these things.

The President of the United States is fighting the greatest trust on the earth, the Shipping Trust. It is owned by people who live in foreign countries, and you gentlemen have shown your great friendship and sympathy for the people here by supporting the foreign Shipping Trust. You will also have that to meet in the next campaign. And the obstacles which you are trying now to place before this great man of peace in the White House will rise up to haunt you in the next campaign. Let me appeal to your patriotism once. Cease this effort at a political play and put the good of your country and the good of the American people one time above your insatiate desire to return to power. [Applause on the Democratic side.]

Mr. BARTLETT. Mr. Chairman, I did not know that general debate was going to be continued on this subject. I have no objection.

In what I had to say a few minutes ago I stated my position upon a certain proposition, and the gentleman from Alabama [Mr. HEFLIN] has repeated the language of the street, which we hear so often from those who do genuflections and swing censers before the President of the United States, that those who opposed the shipping bill were actuated by friendship for and interest in the Shipping Trust. That does not refer to me; but since the suggestion has been made I will ask, Where is the Shipping Trust in the country? It is the coastwise trade, and everybody knows it. Who are the people who have stood in the way? I do not mean Members of Congress. I never reflect upon the views or motives of Members of the House. Men who have honor and character enough to receive the votes of their constituencies and to be entitled to seats in this Congress are above suspicion of their motives and ought not to have their motives or their votes questioned, unless some proof can be brought against them. I despise that sort of argument and criticism against Congress, and I take it for granted that every Member of this House is as honest in his motives as I am, and I would resent the suggestion that I am in any way influenced in my vote.

Mr. HEFLIN. Mr. Chairman—

Mr. BARTLETT. I can not yield. I will yield in a moment. But the country knows and everybody knows that those of us who could not give our support to the shipping bill in the caucus agreed to support it if gentlemen would agree to make it temporary and would strike a blow at the great Shipping Trust—the coastwise trade—and the gentleman from Alabama [Mr. HEFLIN] and the people who thought as he did, headed by him, voted it down. We got 58 votes for it, but it was voted down. Now, "let the galled jade wince. My withers are unwrung."

Mr. HEFLIN. I should like to interrupt the gentleman.

Mr. BARTLETT. Yes.

Mr. HEFLIN. Does not the gentleman from Georgia know—I want to state to him that I did not have him in mind.

Mr. BARTLETT. I know you did not. You ought not to have had anybody in mind.

Mr. HEFLIN. I did not have the gentleman in mind. I was replying to the eloquent speech of the gentleman from Pennsylvania [Mr. MOORE], and had no reference to the gentleman from Georgia at all.

Mr. Chairman, I want to say this in reply to the gentleman from Georgia—

The CHAIRMAN. The time of the gentleman has expired.

Mr. HEFLIN. I want just an opportunity to speak for two minutes. I did not intend to cast any reflection on the gentleman from Georgia. I ask unanimous consent that I may have two minutes.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. HEFLIN. The gentleman refers to what occurred in the caucus, about making a limitation on this purchase of ships. I want to say to the gentleman that that is exactly what the trust wanted. Whenever he asks this Congress to set a time to sell these ships, the trust rejoices, because it knows that nobody but the trust will bid and buy, and we did not want the Government to be helpless in the hands of the trust when it got ready to dispose of these vessels. We did what we thought was right. We followed the suggestion of the Senate Democrats, of the President in the White House, and the majority of the Democrats on this side. It has become the policy of the Democratic Party, and I choose to stand beneath the unfurled flag of my party, and I will stand and fight in the open, with Woodrow Wilson and four-fifths of the Democratic Senators and nine-tenths of the Democrats in this House. That is where I stand on this proposition. [Applause.]

Mr. BARTLETT. Mr. Chairman, I choose to stand with my party. I always did. I stood for it, I apprehend, when the gentleman from Alabama [Mr. HEFLIN] was in his swaddling clothes. I do not propose to permit him or anyone else to say where I shall stand, nor do I propose to permit him or men who entertain views not Democratic, and not drawn from Democratic sources, to drive me out of the Democratic Party. They may go, but I shall stay. [Applause.]

The CHAIRMAN. The time of the gentleman from Alabama has expired, and the Clerk will read.

The Clerk read as follows:

For Army and Navy pensions, as follows: For invalids, widows, minor children, and dependent relatives, Army nurses, and all other pensioners who are now borne on the rolls, or who may hereafter be placed thereon, under the provisions of any and all acts of Congress, \$165,000,000: *Provided*, That the appropriation aforesaid for Navy pensions shall be paid from the income of the Navy pension fund, so far as the same shall be sufficient for that purpose: *Provided further*, That the amount expended under each of the above items shall be accounted for separately.

Mr. BARTLETT. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amend, page 2, line 1, by striking out the figures \$165,000,000 and inserting in lieu thereof \$164,000,000.

Mr. BARTLETT. Mr. Chairman, according to the report of the Commissioner of Pensions there remained at the end of the last fiscal year \$7,658,572.87 surplus of the \$169,000,000 appropriated under the bill of that year. When the commissioner was before the committee that was preparing this bill he stated positively at that time that he was satisfied that \$165,000,000 would be sufficient. Since that time he has further information, and on February 5, 1915, the chairman of the Committee on Appropriations received this letter:

DEAR MR. FITZGERALD: I understand that your committee has made a reduction of \$166,000,000 to \$165,000,000 in the appropriation for pensions during the fiscal year 1916. It will be entirely safe to make a further reduction of \$1,000,000 from this amount, making the appropriation \$164,000,000.

Cordially, yours,

That information was obtained after the committee had made its report to this House, and, therefore, following the suggestion of the Commissioner of Pensions and the Secretary of the Interior, I have offered this amendment.

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

Mr. BARTLETT. Yes.

Mr. STAFFORD. Can the gentleman inform the committee what is the annual reduction in the pension fund occasioned by the deaths of the old soldiers?

Mr. BARTLETT. Yes; it is in the report.

Mr. STAFFORD. I notice here that in 1912 the reduction was \$4,319,000. I presume it is much higher this year.

Mr. BARTLETT. The number of deaths during the year 1914 was 33,639.

Mr. STAFFORD. What were the total reductions occasioned by those deaths?

Mr. BARTLETT. It left a balance, as I stated to the gentleman, of \$7,658,000.

Mr. STAFFORD. If I understood the gentleman, he stated \$169,000,000 were appropriated, and there was a surplus of \$7,000,000.

Mr. BARTLETT. Yes; that was the surplus. They did not pay it out.

Mr. STAFFORD. That would leave a balance of \$161,000,000.

Mr. BARTLETT. Yes.

Mr. STAFFORD. And yet, notwithstanding the surplus, you are appropriating \$164,000,000 instead of \$161,000,000, and not taking into account the savings that will result by the increasing deaths of the old soldiers as the years go by. Does not the gentleman think there will be still a surplus of many million dollars if we appropriate \$164,000,000?

Mr. BARTLETT. Yes; I do; and if the gentleman will offer an amendment to make it \$161,000,000 I will vote for it.

Mr. STAFFORD. The gentleman is in charge of the bill.

Mr. BARTLETT. I am in charge of a bill that has been agreed to by a committee.

Mr. STAFFORD. From the figures presented by the gentleman for last year we appropriated \$169,000,000, and there was a surplus of \$7,000,000. That means that only \$162,000,000 are necessary, and certainly with the continued deaths the figure that would be sufficient would be below \$160,000,000. It does not require any argument to show that, because in 1912 the reductions in pensions occasioned by deaths at that time amounted to \$4,338,000, and certainly as the age increases the reduction increases also.

Mr. BARTLETT. That is true. I endeavored to do that. I read from the hearings at page 8:

Mr. BARTLETT. Is it likely that you would have as much unexpended balance at the end of the next fiscal year as you had at the end of the last fiscal year?

Mr. SALTZGABER. No, sir; I hardly anticipate that much, because the appropriation has been reduced all the time.

Mr. BARTLETT. You will have as much ratably or comparatively?

Mr. SALTZGABER. That is pretty hard to answer. I do not know just the meaning of the word "ratably" in that connection.

Mr. BARTLETT. In other words, if on an appropriation of \$169,000,000 you saved \$7,658,000, on an appropriation of \$166,000,000 you would save as much, would you not?

Mr. SALTZGABER. No, sir; not necessarily. The amount required is diminishing, but the estimate was made \$3,000,000 less to start with on that account. Now, as I have said to you, probably less than that will be required, though just how much less is a matter of speculation.

Mr. BARTLETT. If we give you \$165,000,000, that will meet all the requirements?

Mr. SALTZGABER. I think that will be all right.

The CHAIRMAN. The time of the gentleman has expired. The question is on agreeing to the amendment offered by the gentleman from Georgia.

The amendment was agreed to.

Mr. BORLAND. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk reads as follows:

Page 2, line 6, after the word "separately," insert:

"From and after July 1, 1916, no pension shall be paid to any person who resides in a foreign country, and who is not a citizen of the United States, except for actual disabilities incurred in the service."

Mr. BORLAND. Mr. Chairman, I feel reasonably sure, from the discussion and comments which this amendment has received, that it represents the real sentiment of the American soldiers themselves. I am certain that it represents the sentiment of the rest of the taxpayers of this country.

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

Mr. BORLAND. Yes.

Mr. BARKLEY. Why does the gentleman put this off to July 1, 1916? Why does he not make it effective July 1, 1915?

Mr. BORLAND. Mr. Chairman, I will say to the gentleman from Kentucky that this amendment was considered in the Sixty-second Congress and was very vigorously opposed by some of the gentlemen on the opposite side of the House. One of the questions they raised was whether the department could get ready to put it into force during the current year. In my own judgment it can be put into force, and I have drawn and will offer, if this amendment is defeated, a limitation upon the existing appropriation. I am not sure but that both ought to go in, but I am perfectly certain that no possible injustice can result if we give them the fiscal year in which to ascertain and prepare for this change.

Mr. BARKLEY. They have now nearly five months before this appropriation becomes available.

Mr. BORLAND. That is true; but this amendment will get more votes than the amendment the gentleman has in mind. I know that from experience.

Mr. GOULDEN. What is the opinion of the Commissioner of Pensions upon this subject?

Mr. BORLAND. The opinion of the Commissioner of Pensions is very decidedly in favor of this amendment. I quoted that in my speech this afternoon, and I have it here in the hearings on page 21. The present Commissioner of Pensions is an old soldier and has the confidence and respect of the entire body of old soldiers of this country. I read from the hearings:

Mr. DAVIS. I would like to ask a formal question, and I do not ask the commissioner to answer it if he does not desire to do so: In your judgment, Mr. Commissioner, is it proper for a man who rendered service in the Civil War or any other military service for the United States Government, and who because of that service was placed upon the pension roll, to be deprived of that pension because of the fact that subsequently he declared his allegiance to some other country than the United States? In your opinion, Mr. Commissioner, should or should not that fact bar him from receiving the pension that he obtained as a service pension because of his service to the United States? You need not answer that question if you prefer not to do so.

Mr. SALTZGABER. I have an opinion on the subject, and it is this: I am so thoroughly American that I believe that a man who abjures his allegiance to this country ought not to receive any reward from it.

So that the present Commissioner of Pensions has a clear-cut opinion which he does not hesitate to express. I am very glad to find that my colleague from New York, Mr. GOULDEN, an old soldier in the Union cause, and my colleague from Ohio, Gen. SHERWOOD, agree very heartily in the absolute justice of this provision and the relative justice of it to the old soldiers who remain under the American flag and who contribute to the expenses of the American Government.

They have no sentiment, such as gentlemen who have opposed this in the past seem to think, that this is some kind of an injustice to the American soldier. In fact they take the opposite view, that this is an act of justice to the American

soldier, who, in the last analysis, through himself, his sons, and family pay the taxes out of which these pensions must be paid.

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

Mr. BORLAND. Yes.

Mr. FOWLER. Would not the gentleman's amendment deprive a widow of a pension whose husband fought for the preservation of our Union, who now lives say in Ireland or Canada? Would it not deprive them of pensions?

Mr. BORLAND. Mr. Chairman, that objection has been raised also and made much of; and I want to say to my friend from Illinois, whom I know is perfectly sincere in asking the question, that as long ago as 1893, when this matter first came up, the question was raised then whether some of the widows or dependent mothers of soldiers who were foreigners and never became citizens of the Nation would not be affected by this provision. At that time, in 1893, there were less than 3,000 of these foreigners drawing pensions, whereas to-day there are over 5,000 of them. Now, the gentleman will see that if there are any widows in Ireland, or dependent mothers, their number ought to decrease very rapidly after the war and not increase at this rate.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BORLAND. Mr. Chairman, I ask that I may have five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none.

Mr. BORLAND. My own judgment is this: That while there may be some widows remaining—I doubt whether there are any dependent mothers—if there may be some widows remaining in foreign countries whose husbands came here and fought and died under the American flag, we could very easily take care of those cases by special bills; in fact, when that question was put to the commissioner as to how we could deal with exceptional cases of foreigners who ought to have some reward from the Federal Treasury he said the way to deal with it was by a special bill in Congress. And these special bills would not amount to anything near the million dollars we are now dispensing. Another point that the commissioner made is this: We provided in the last bill—Sixty-second Congress—that pensions should be paid by checks instead of by vouchers. Well, that saved a good deal of time and some expense to the pensioner in getting his money and the trouble of going down and signing the voucher. It was an awful fight to get that through. I happened to be one of the conferees on the part of the House, and it took us three or four months, against a most bitter fight of these men who are capitalizing this pension business all over the country, to get that kind of an amendment into the law. Yet the commissioner says to-day that there is a saving made of \$145,000 in the annual expense of running his office every year; and not only that, but it saves from one to eight days' time of pensioner in getting his money and he saves the expense and trouble of executing his voucher.

In addition to that, he says that that safeguard can not be extended to foreign pensioners; that he must continue to pay by voucher to foreign countries because there is no way of applying our fraud laws to a foreign country. If somebody over there continues to get a pension check after the pensioner died and continues to cash it, we can never reach him until some casual information comes through some American consul or otherwise that that pension ought to be stopped. That there is no way of our controlling that in foreign countries—

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

Mr. BORLAND. Yes.

Mr. SHERWOOD. In answer to the objection of the gentleman from Illinois, I will state it in this way: I heard the argument made by the gentleman from Tennessee a year ago on this question. Now, if there are any of these Irish widows, or widows of other countries, who are deserving of a pension, I will agree to get a private pension for every one of them.

Mr. BORLAND. They could very easily obtain them. But the main point is this: We might as well solve this question now as at any other time. We could not get into a war with any country on the globe without finding part of our own money, and perhaps men who are drawing pensions from this Government, under arms opposing us. It would perhaps be voluntary and perhaps by draft, but at least we would be fought by our own men and our own money. No nation in the world has ever done that or ever ought to do it, and we ought not to continue to do it.

Mr. BARTLETT. May I interrupt the gentleman just a moment?

Mr. BORLAND. Yes.

Mr. BARTLETT. The Commissioner of Pensions, at the suggestion of the committee, has prepared a letter, which can be

read, that would reach the situation by asking certain questions.

Mr. BORLAND. I will say, Mr. Chairman, that I have seen this letter prepared by the commissioner, and I will ask to have it inserted in the RECORD, so that it may be before the House. It consists of four questions. The commissioner says it would be very easy in sending out the next pensions to foreign countries to insert the letter, and have it returned with the answers, and that the expense would be but trifling.

Mr. COOPER. Would the gentleman read those questions?

Mr. BORLAND. Yes; I will. I may overrun my time.

Mr. BARTLETT. I will give you more time.

Mr. BORLAND. It says:

DEPARTMENT OF THE INTERIOR, BUREAU OF PENSIONS,
Washington, _____.

Please answer the following questions for the information of the Congress of the United States, and return this circular in the same envelope with your next voucher for pension.

Commissioner of Pensions.

1. Where were you born?
2. Name the countries in which you have resided since your birth, and the years of your residence in each country.
3. Of what country are you now a citizen?
4. Were you ever a citizen of any other country; and if so, name the country and State, how you became a citizen thereof, and how your citizenship was terminated?

Signature: _____.

Post-office address: } _____.

Now, there are four simple questions. It discloses exactly what Congress wants to know, whether this pensioner was ever a citizen of the United States, and whether—

Mr. COOPER. Will the gentleman yield? I want to ask the gentleman a question, which, with his answer, will, I think, embody the whole argument. Does the gentleman believe that it would have been wrong for the Government of the United States to pension Von Steuben, the German, or Lafayette and Rochambeau, the Frenchmen, or Kosciuszko and Pulaski, the Poles, who helped to win our freedom, and then went back to Europe?

Mr. BORLAND. Congress, I think, did vote special ones to each of those gentlemen.

Mr. COOPER. Yes; it did. And why should it not have pensioned them as long as they lived? [Applause.]

Mr. GORDON. They are all dead.

Mr. BORLAND. That is not the question involved.

Mr. COOPER. Some of these other men came from Europe and helped 50 years ago to save the flag of the United States, and ought to be pensioned as long as they live, and wherever they live, for the same reason exactly. [Applause.]

Mr. BORLAND. That very question was asked Mr. Saltzgeber, the Commissioner of Pensions, and my recollection is that it appears in the hearings.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BORLAND. Mr. Chairman, I ask unanimous consent for five minutes' extension.

Mr. MANN. How long is this going to run?

Mr. BORLAND. No longer than five minutes, so far as I know, unless some other gentleman wishes to speak.

Mr. FOWLER. I want some time.

Mr. BORLAND. Does the gentleman want to agree to time?

Mr. MANN. Oh, no. I just simply wanted an explanation.

Mr. BARTLETT. I did not want to make an explanation while the gentleman was on the floor.

Mr. BORLAND. I want to have the attention of the gentleman from Wisconsin [Mr. COOPER], because I do not want him to base upon exceptional cases a general rule. I do not want him to come here and say that there might be some distinguished gentleman that ought to be recognized, and that that is a good reason why a lot of men who expatriate themselves and take up homesteads in Canada ought to continue to draw pensions. Listen to what the commissioner said about that:

Mr. SALZGABER. I think that if there is any foreigner who came to this country and rendered service to it in the time of its peril, if that service was of conspicuous merit it would be a matter for Congress to deal with.

Mr. COOPER. Mr. Chairman—

Mr. SHERWOOD. That is what they did with Lafayette when he came over here. The Congress gave him \$110,000 in gold.

Mr. BORLAND. There is no question but that Congress should deal with those cases. But we should not ask the American taxpayer to pay a lot of pensions to men who have abandoned this country.

Mr. MANN. Mr. Chairman, it was only a few years since that Congress put a man—a prominent Democrat, I think—Gen. Osterhaus, on the retired list as major general. He does

not draw a pension. He draws the pay of a retired major general. I believe he lives in Germany. I would not take it away from him. Would you?

Mr. COOPER. No.

Mr. MANN. It was only recently that you on that side of the House voted to put him in that class. The proposition came from the Democrats of his drawing the pay of a retired major general, but your proposition is that if some poor German came over and fought for the preservation of this Union and went back home, and is drawing \$12 a month, you will take it away from him. But you leave the general to draw \$7,500 a year.

Mr. BORLAND. Would it not be better for the gentleman to leave politics out of this?

Mr. MANN. The gentleman had 15 minutes. Let me have a few minutes. I did not interrupt the gentleman.

Mr. BORLAND. I do not want to interrupt the gentleman without his consent.

Mr. MANN. Let me proceed for a moment. This proposition has been before this House on several occasions. Everybody knows it will not become a part of the law when this bill is passed. I do not believe that it will pass this House. It certainly will not pass the Senate at this session.

We are trying to avoid on this side of the House a special session, but gentlemen on that side keep injecting propositions that may cause one. What are the facts in the case? There are 5,163 of these pensioners living in foreign lands, and their pensions amount to a little over \$1,000,000. That is \$200 a person on the average. More than half of them live in Canada. Those in Canada consist of two classes: First, the men or their widows who came over the border during the war and volunteered, with no obligation except the moral desire to help preserve the Union. [Applause on the Republican side.] Do we owe them nothing? They came from a foreign country to fight for us. Do we owe them nothing? The other class consists of American citizens who have since the war gone to Canada, in the Northwest, in the hope that they may better their condition by taking homesteads there. They fought for the Union. Are we, in their older age, when they have gone out to help make the prairies bloom with crops, to take away from them our little pittance that we give to them?

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

The CHAIRMAN. Does the gentleman from Illinois yield to the gentleman from Ohio?

Mr. MANN. No; not yet. Wait a moment. Nearly one-tenth of these pensioners live in Ireland. The Irish blood is always for liberty. [Applause.] They are always ready to fight for liberty. [Renewed applause.] They came over here as young men and fought in behalf of the country. Probably most of these pensioners are their widows who have gone back to the Green Island to spend their last days, being meanwhile dependent on the little pension of \$12 per month which we pay them. Do you propose to take that away from them? That is what this amendment does.

And nearly one-tenth of these pensioners are in Germany. Do we propose now, in this condition, to take away from those pensioners in that land the little pension that we pay to them, when they were willing to help us in our hour of need and war? And will we repay them, when they need this little pittance, when they are at war, by taking it away from them? That would be base ingratitude, unworthy of any civilized being. [Applause on the Republican side, and cries of "Vote!"]

Mr. BARTLETT. Mr. Chairman, this amendment was offered to the bill in 1913, when the bill was in committee. It was adopted, and it was made a part of the bill as reported from the Committee on Appropriations. When the bill came before the House it was stricken out in Committee of the Whole, and when it got before the House itself on a roll call the House agreed to the amendment.

I do not know whether it was incorporated in the bill at the next session or not as it came from the committee. Anyhow, the amendment was offered on the floor. This bill does not carry the amendment. Neither the subcommittee nor the full Committee on Appropriations placed it there, although an effort was made by the gentleman from Missouri [Mr. BORLAND] to do so, and he reserved the right to do as he has done and as he should do, holding the convictions that he does.

Now, as far as I am concerned, I agree with him about the amendment. I voted for it in the committee. I voted for it heretofore on the floor of the House on two occasions. I do not believe that anyone who was a citizen of the United States and who has adjured that allegiance and sworn allegiance to some foreign country ought to be permitted to tax the people of this country to continue the payment of the pension that he might be entitled to if he still remained a citizen of this country.

I at one time put into the Record, when this question was first up, a list of the leading countries of the world, which provided that within a certain time after a pensioner left the realm that he was a subject of and went to a foreign country he would be stricken from the roll, unless it should appear by his affidavit that he still retained his allegiance to the country which pensioned him.

Now, this amendment will in no way affect those who are temporarily residing abroad. It can affect only those who never did owe allegiance to the United States or to those who, having owed it, abandoned it and took up allegiance to some other country.

Now, it may be true, and I have no doubt it is true, that numbers of people came here from foreign countries and enlisted during the war from 1861 to 1865. It is a historic fact that many thousands of them were paid bounties and enlisted because they were paid bounties; and I to-day incorporated in the Record a list showing the amounts of bounties thus paid, aggregating something like \$285,941,036, which the States paid to those people when they enlisted and \$160,000,000 by the United States. And when they have received bounties and have received pensions up to this time, it seems to me that when men want to continue to draw pensions for which the people of this country are so highly taxed they should at least, when they go abroad, retain their allegiance to the flag of the United States and not forswear their allegiance to it.

Mr. SHERWOOD. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Ohio [Mr. SHERWOOD] moves to strike out the last word.

Mr. SHERWOOD. Mr. Chairman, I understand that the Commissioner of Pensions is in accord with the veteran organization known as the Grand Army of the Republic. He is a member of that organization, and a prominent member, and in close touch with the organization. I understand that the feeling in the Grand Army is that whatever pensions are paid out should be paid to soldiers who have not renounced their allegiance to the United States. They want to save this \$1,034,000 that is paid out to foreigners.

Now, this country is good enough for me to live in. I think if a man who served in the Army thinks some other country is more desirable, and he renounces his allegiance to the United States, the Government of the United States does not owe him anything.

Now, in answer to what the gentleman from Illinois [Mr. MANN] says about the Canadians coming over here and fighting, it is true. But this amendment takes care of every soldier who was wounded or disabled in the service, so that it can do no injustice to any worthy soldier of the war, and I am in favor of the amendment. [Applause.]

Mr. FIELDS. Mr. Chairman, I am opposed to the amendment of the gentleman from Missouri [Mr. BORLAND], and I hope that it will not be adopted. These gentlemen who enlisted in the military service of our country had no contract with the Government that they should remain citizens of the United States after their services terminated.

Mr. GORDON. Mr. Chairman—

The CHAIRMAN. Does the gentleman from Kentucky yield to the gentleman from Ohio?

Mr. FIELDS. Not now. I feel, Mr. Chairman, that these men who enlisted under our flag and helped to maintain our Union should now be remembered by us who enjoy the glories of the flag, and that we should not forget them, wherever they may be. I realize that the adoption of this amendment would make some saving in our appropriation, but I am one of those who believe that a time comes to all men when they should hold their patriotism above their pocketbooks. Therefore, Mr. Chairman, I hope that the amendment will be defeated.

The gentleman from Ohio [Mr. SHERWOOD], the chairman of the committee, referred to the fact that these pensioners have left the United States as a matter of choice. Some may have done so. Others may not. Some may have crossed the Canadian line to follow their children. Should this great Government now deprive them of the pensions they earned in supporting the Government because out of love for their own children they have followed them into a foreign country? I say it is unfair, it is unjust, it is un-American, it is unpatriotic, and I hope the amendment will be defeated. [Applause.]

Mr. BARTHOLOTT. Mr. Chairman, I move to strike out the last word. This proposition has been before the House three or four times in the past, and if my memory serves me right, after due deliberation it has always been voted down, I suppose on the theory that it would be an act of injustice to those who gave their bodies and their health when they were in the prime of life to be devoted to the service of this country.

Mr. SHERWOOD. This takes care of those who are disabled. This is another proposition.

Mr. BARTHOLOTT. I know that. I have personal knowledge of a number of cases of persons who live in Germany. They get \$12 a month. If they were required, under this amendment, to return to the United States, they could not live on \$12 a month, and most of them would become objects of public charity, while in the old country, surrounded perhaps by their kinsfolk and descendants, they can make both ends meet, even on \$12 a month. And I want to assure the gentlemen of this House that every one of those men is as much of a patriot now as he was at the time he fought under the flag. [Applause.] There are laws in the European countries which require a man, after he has resided there for a certain length of time—I believe it is two or three years—to make his decision either to return to the United States or to become a citizen of the other country. Now, most of those men at the expiration of that time, with the aid of friends, return to this country for a trip, for the purpose of renewing their passports, and then they go back again. But there are others who are financially unable to make that trip. They are as good Americans as we are.

Mr. BORLAND. I want to ask the gentleman one question.

Mr. BARTHOLOTT. All right. I yield to my colleague.

Mr. BORLAND. The gentleman, I suppose, is familiar with the laws of Germany on this as on other subjects. Does he understand that the German Government pays pensions to men who are not German citizens?

Mr. BARTHOLOTT. I do not know.

Mr. LOBECK. I can answer that. A constituent of mine, Mr. August Carstens, in my home city of Omaha, wrote me a letter a few days ago, in which he said that he served in the Franco-Prussian War and in the Schleswig-Holstein War, and that he is now drawing a pension from the German Government, and he told me the amount. The letter is written in German. I do not happen to have it with me.

Mr. BORLAND. Is he an American citizen?

Mr. LOBECK. He is an American citizen, and has been ever since 1873.

Mr. BORLAND. They do not know it.

Mr. GORDON. They probably do not know it over there.

Mr. LOBECK. Germany does know it. That is one case in which Germany pays a pension to an American citizen.

Mr. BARTHOLOTT. I want to refer to a statement made by my colleague from Missouri [Mr. BORLAND]. He said these men might die and we would not know anything about it, and that the pensions would continue to be paid to dead men. The fact is, Mr. Chairman, that every one of these men has to register with the American consul and the voucher has to be executed before the consul, and a man has to present himself in person, and consequently there could be no such thing as a fraud on the Government. If there is, the American consul would have to be in collusion with the pensioner, and that is almost out of the question. Mr. Chairman, I sincerely trust that this amendment, regarding it as most unjust, as I do, will not prevail.

Mr. FOWLER. Mr. Chairman, no man on the floor of the House during my service in Congress has been more careful and more considerate of the public Treasury than myself. But when it comes to the question of appropriating money for the necessary administration of the Government I have always cheerfully subscribed to a liberal sum. The question on the amendment now pending, it appears to me, in addition to the arguments presented by other gentlemen, is that if passed at this time it might be construed by some of the countries now engaged in war as an unfriendly act on the part of the United States.

While I do not go as far as to say that that would be done, yet I do say that to pass this amendment at this time, after having kept the law on the statute books for all these long years in the past, it might be construed by some at least as an unfriendly act on the part of this country.

To the men who gave their lives that my country might be free and that liberty might be preserved throughout the length and breadth of the land, I have a consideration which amounts to a devotion, and so long as I live I shall never be guilty of an act which will desecrate the great services of the soldiers who have made it possible for this country to be the greatest among all other nations. [Applause.] And as much as I am anxious, Mr. Chairman, for retrenchment at this time, I will not begin by starving the soldiers, their widows, orphans, and dependent mothers in order that we may have some little retrenchment. [Applause.] I would rather increase the pension of every soldier who fought to save the Union than to decrease a single one of them. [Applause.]

Mr. BORLAND. Will the gentleman yield?

Mr. FOWLER. Yes.

Mr. BORLAND. How is it that the gentleman so radically disagrees with the members of the Grand Army in these vociferous remarks, in which he expresses himself as in favor of the soldier?

Mr. FOWLER. I understand from the soldiers in my district that I am in accord with their wishes, but as far as the Grand Army is concerned, I have a resolution in my pocket now to offer at the first opportunity to appropriate \$20,000 out of the Treasury to help defray the expenses of their encampment in Washington during the coming summer.

Mr. Chairman, I would not, I will not vote against a measure that will bring to these soldiers, their widows or orphans, these soldiers now on the tottering side of time—I say I could not and I will not vote for a measure which may be construed as an assault upon the pensions of the soldiers of my country. [Applause.]

You pass this amendment, and it is only a question of time when other amendments will be offered, and there will be one assault after another until the pensions of the soldiers in this country will be seriously imperiled.

Mr. GORDON. Mr. Chairman, old Dr. Johnson said, "Patriotism is the last refuge of a scoundrel," and he never uttered a truer word. We have to hear and read these buncombe speeches made by men who want to show their love for the old soldier by dipping deep into the public Treasury.

What is the question before the House? The question is as to cutting off a million dollars in pensions now paid to those who have renounced their allegiance to the United States and became citizens of foreign countries. The amendment excepts in every case those who sustained actual injury, clearly meeting the case mentioned by the gentleman from Missouri [Mr. BARTHOLOMEW] where they lost limbs or health. They are expressly excepted under the amendment. It simply cuts off those who are drawing pensions for other reasons than disabilities incurred in the service and who have renounced their allegiance to the United States. That is the proposition, and it seems to me, as a matter of common sense, it ought to be adopted. I do not think there is a nation on the face of the earth outside of our own that pays pensions to aliens.

The gentleman speaks of fraud. Any lawyer on the floor of this House knows that fraud committed in a foreign country may be committed with impunity in behalf of these alien pensioners and our courts have no jurisdiction to prosecute them. They are beyond the seas, beyond our jurisdiction, and beyond the reach of our process; and this law, which permits pensions to be paid to aliens in foreign countries, is simply placing a premium upon fraud, and when fraud is committed there is absolutely no remedy. I hope the amendment will be adopted.

Mr. AUSTIN. Mr. Chairman, in answer to the statement of the gentleman from Ohio [Mr. GORDON], respecting the chances of fraud in the payment of foreign pensions, I want to say I had an experience as American consul at Glasgow, Scotland, and under the regulations every pensioner was required to come to the consulate every three months, where he or she qualified to the necessary vouchers and were identified before the American consul. After that performance was completed the vouchers were transmitted by me to the Secretary of the Interior, and the pension checks were returned by mail. So there is absolutely no chance in the world of committing fraud against the Treasury of the United States in the payment of pensions to those living abroad.

In addition to the exemption stated by the gentleman, that these pensions should continue to soldiers who were diseased or injured, it does not cover the cases of widows of soldiers who live abroad, and I know of one or two instances in the city of Glasgow where we are paying pensions to the widows of Union soldiers. I hope the Members of this House will let these old defenders of the Union and their widows die in peace. [Applause.] They have only a few months or years to live. They are 70 and 75 years of age, beyond the seas in foreign lands, and we now propose to strike them down, to bring hardship and unhappiness to the hearts of every one of them who were willing to risk their lives to preserve the Union. The American Congress is now called upon to forget justice, to forget humanity, and to forget the services of these men in the time of the country's peril. No man in this House should vote for this unjust amendment.

Mr. GOOD rose.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield for a moment?

Mr. GOOD. Yes.

Mr. BARTLETT. Mr. Chairman, I would like to fix on some time when debate shall close on this paragraph and amendments thereto.

Mr. GOOD. I want only five minutes.

Mr. BARTLETT. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that all debate on this paragraph and all amendments thereto close in five minutes. Is there objection?

Mr. BORLAND. Mr. Chairman, reserving the right to object, my understanding is that the gentleman from Pennsylvania [Mr. HULINGS] has a substitute which he desires to offer to the amendment.

Mr. HULINGS. Mr. Chairman, I do not like this amendment very much, and I prepared an amendment to offer as a substitute in its place, but I do not believe I like that very much. The gentleman from Tennessee [Mr. AUSTIN] has changed his mind. I do not believe that this is a good time to cut these people off.

Mr. PALMER. Mr. Chairman, reserving the right to object, I would like to have the opportunity of offering at least a pro forma amendment in order to make reply to some remarks which were made by the gentleman from Georgia [Mr. BARTLETT] in charge of the bill in general debate when I was not present.

Mr. MANN. There is another paragraph.

Mr. PALMER. Very well.

The CHAIRMAN. The Chair hears no objection, and it is so ordered.

Mr. GOOD. Mr. Chairman, this same proposition has been before the House every year during the past four years when we considered the pension appropriation bill. A few years ago I put into the RECORD the letter of Mr. Lochren, who was Commissioner of Pensions during the second administration of President Cleveland. Judge Lochren wrote in his annual report the following:

A clause of chapter 187 of the public acts of the second session of the Fifty-second Congress provides:

"That from and after July 1, 1893, no pension shall be paid to a nonresident, who is not a citizen of the United States, except for actual disabilities incurred in the service."

I respectfully ask your attention to this clause, in the hope that you may recommend its repeal. It causes great trouble and annoyance to the excepted classes, who constitute the great bulk of nonresident pensioners, in compelling them to make proof that they belong to these excepted classes. And the final result is that payments under it are withheld from but few, save widows and dependent mothers, who have little else for their maintenance. The saving is too little to offset the suffering inflicted in individual cases. If all nonresidents were refused payment of pension some plausible argument might be made in support of such policy; but none can be urged in favor of this law, which, while giving annoyance to all, strikes only the most helpless.

I should not feel warranted in asking attention to this law but for the fact that it entails much work on this bureau, in answering communications, and seems to yield little practical results except annoyance and apparent cruelty. I recognize to the fullest extent that my sole duty is to execute and administer the laws as they are enacted—fairly and honestly interpreted.

Very respectfully,

WM. LOCHREN,
Commissioner.

The SECRETARY OF THE INTERIOR.

Mr. GORDON. Mr. Chairman, will the gentleman yield there?

Mr. GOOD. No; I can not yield. That was the opinion of Judge Lochren, the Democratic Commissioner of Pensions under President Cleveland. What he says expresses my views, and I believe it expresses the views of the people of the United States.

The report on this shows that of those nonresidents who receive pension, 504 reside in Germany, and almost 500 of them in Ireland, and more than 400 in England. Does anyone suppose that any considerable number of those ever were citizens of the United States and have renounced their citizenships? Certainly not. According to the report of Judge Lochren a large majority of them must be the widows of soldiers who gave their services to the United States, and those widows are now receiving a small pension of \$12 a month. By this amendment you propose to take it away from them. When their husbands enlisted in the cause of the Union we did not object to them because they came from Germany, or Ireland, or England, or Canada. We accepted their services, and when we enacted a pension law we called it a service pension. We gave a pension in accordance with the service which was rendered by the soldier, and now we are going to say, no matter how distinguished the service, if a person who rendered that service, or if his widow, lives in a foreign land, he or she shall not receive a penny of this service pension. I am opposed to the amendment. It has been defeated every time it has been offered; it ought to be defeated now. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. BORLAND].

The question was taken, and the amendment was rejected.

The Clerk read as follows:

For fees and expenses of examining surgeons, pensions, for services rendered within the fiscal year 1916, \$100,000.

Mr. PALMER. Mr. Chairman, I move to strike out the last word. Mr. Chairman, when the distinguished gentleman from Georgia [Mr. BARTLETT] closed the general debate upon the bill I was not upon the floor, coming in just as he was uttering perhaps the last sentence. I was told afterwards that he had indulged in some remarks about the child-labor bill which passed this House day before yesterday and about myself, and cast some animadversions upon the great State which I in part represent upon this floor. Since then I have examined the reporters' notes of the gentleman's speech, and I find that the gentleman took it upon himself to defend the Constitution against the violent assault which was being made upon it by this child-labor bill and to defend the imperial Commonwealth of Georgia against the aspersions of a mere Pennsylvanian. I have the highest regard and respect for my colleague, the gentleman from Georgia. I have always considered him an able lawyer, a wise man, and a sincere man. I can not help but believe that he is too wise a man and has been too keen an observer of current events to hold me in any wise responsible for conditions in Pennsylvania. I grant that conditions with respect to labor in Pennsylvania are not what they ought to be, especially with respect to the conditions under which women and children are permitted to labor in that great industrial State. These conditions are caused by the fact, admitted now by all men, that that State is controlled in its governmental operations under a partnership agreement which has long been in force between the great protected interests of my State and the Republican machine; and I am quite sure that my friend, the gentleman from Georgia, will not suspect that I have any sympathy with either end of that partnership.

Mr. BARTLETT. I do not.

Mr. MOORE. Mr. Chairman—

Mr. PALMER. Mr. Chairman, I can not yield.

Mr. BARTLETT. I did not mean to interrupt the gentleman without his permission, but I interrupted the gentleman to say I did not think he had anything to do with it.

Mr. PALMER. Well, the gentleman's declaration was it was my duty to remove the beam in the Pennsylvania eye before I undertook to extract the mote in the eye of the State of Georgia.

Mr. BARTLETT. That was a mere figure of speech.

Mr. PALMER. I have made some effort to remove the beam, and the gentleman must know that I have myself expended some effort and energy—

Mr. MANN. And money.

Mr. PALMER (continuing). At the cost of a seat in this House in order to better conditions in that great State. But I am against the exploitation of child labor—

Mr. BARTLETT. So am I.

Mr. PALMER. I am against the labor of women and children under improper conditions in my State and in my district just as much as I am against it in the State of Georgia. [Applause.] I have fought in Pennsylvania ever since I have been in public and political life to better the conditions under which men as well as women and children shall work, and my own district is one of the districts where conditions have not been what I would like to have them, and where I have made some fight to better them, as some of the gentlemen here present know. I regret that better progress is not being made in Pennsylvania; I regret that in regard to child labor it is one of the dark spots in the country, just as I regret Georgia is a dark spot; and I regret to say that despite the beautiful promises made in our State by the party candidates who were successful in the late campaign, word comes to-day from Harrisburg that the new governor of the Commonwealth has issued a declaration stating that though he is just as much for a proper child-labor law now as he was before election, still he thinks that business conditions in the State are such as to make it necessary to postpone consideration of that legislation until the session of the legislature two years hence.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PALMER. Mr. Chairman, may I have five minutes more?

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent that he may proceed for five minutes. Is there objection?

Mr. MOORE. Reserving the right to object, since the gentleman is making an attack upon his own State, I desire to

respond. I agree to the gentleman continuing as long as he pleases, if we may have an equal amount of time on this side.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none. The gentleman from Pennsylvania [Mr. PALMER] will proceed.

Mr. MOORE. Mr. Chairman, I expect to have some time.

Mr. PALMER. I shall certainly not object.

I am making no attack, Mr. Chairman, upon Pennsylvania. I have heard that kind of talk until I am tired of it. I am a Pennsylvanian, like my friend, the gentleman who represents a great Philadelphia district. I love my State. My people came there when William Penn nosed the good ship *Welcome* up the Delaware in 1682, and with his Quaker colonists founded his great experiment in the woods, and they have lived there ever since. And I hope I shall be buried beneath her beautiful hills. I love my State, but I would not believe that I could love her if I should stand silent when I see her despoiled by the machine that dominates that Commonwealth. [Applause on the Democratic side.]

Pennsylvania is one of the States where we have not protected the little children, and, with all due respect to the gentleman from Georgia, so is Georgia. He says he was the author—

Mr. BARTLETT. I did not say that I was the author—

Mr. PALMER. Well, that he had actively worked, perhaps, for child-labor legislation in Georgia; and yet I find that of 40 States in the Union which prohibit child labor under 14 years in mills and factories, Georgia is not one.

Mr. BARTLETT. May I say to the gentleman that is not correct? We have an act which prohibits it now, with children under 14 years.

Mr. PALMER. When was it passed?

Mr. BARTLETT. In 1908.

Mr. PALMER. I will say to the gentleman that what I am reading from—

Mr. BARTLETT. I have seen that publication, and I have taken occasion to put in the *Record* on two different times the statute of the State of Georgia, which shows what the law is.

Mr. MANN. Will the gentleman yield on that subject?

Mr. PALMER. Yes.

Mr. MANN. If the gentleman will look at the debate two years ago on this matter he will find that the statement is correct.

Mr. PALMER. I was about to say that while I have not examined this myself, this compilation was made by the agents of the child labor committee, who have gone over the matter with great care and in whose accuracy I have great confidence. Of 16 States which forbid child labor in mines and quarries, Georgia is not one. Of 16 States which forbid children working more than eight hours a day in mills and factories, Georgia is not one. Amongst 33 States which forbid any work by children under 16 years of age in mills and factories, Georgia is not one. And it does seem to me, therefore, that I was perfectly justified in the statement that the employing interests of Georgia are opposed to this bill, just exactly as they are opposed to the bill in Pennsylvania, where a strong and bitter fight has been made by the textile mill owners, as has been made by the cotton mills in Georgia, against any law which would forbid night work of children under 16 or work for more than 8 hours a day or more than 48 hours in the week.

Now, the gentleman from Georgia [Mr. BARTLETT] went on to impeach my Democracy, I assume because of the position I have taken in support of this bill, which to his mind is violently against the Constitution and against every principle of the party to which we both adhere. Well, Mr. Chairman, I do not profess to be a great constitutional lawyer like my friend from Georgia. Before I came to Congress I was engaged for 15 or 16 years in the active practice of the law, being almost constantly busy in the trial of cases, many of them involving constitutional questions; and I have always been too busy trying cases and practicing law to indulge in the practice, which I find to be so common in Washington, of publicly expressing my views about the Constitution when the Constitution is not in issue [applause] and, because I approve of my own remarks, considering myself a great constitutional lawyer. [Applause.] The trouble with the gentleman from Georgia is that he comes from a school of lawyers who interpret the Constitution according to their own preconceived notion of what the Constitution ought to mean instead of according to what the Supreme Court says it does mean. They find the Constitution bounded by four corners which they set up in their own mind, and refuse to allow to the supreme judicial authority in the land the privilege of erecting the corners which shall mark the boundaries of that instrument. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. PALMER. Mr. Chairman, I ask unanimous consent for three minutes more.

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

There was no objection.

Mr. PALMER. I have no manner of doubt that this proposed Federal child-labor bill is entirely constitutional. I get it not from some idea that I may have of what I think the Constitution ought to mean but what the Supreme Court has said time and again the Constitution does mean. Under the power to regulate interstate commerce I have no doubt that the Supreme Court will hold, when this law gets to it, as it will some day, I presume, that the Congress has full power to prohibit from interstate commerce any articles which are produced under conditions which inside of a State call for the exercise of the police power of a State.

The Supreme Court held that we may prohibit the transportation of so innocent a thing as a piece of pasteboard, representing a lottery ticket, because the use to which that lottery ticket may be put in the future is against the public morals. It has been held that we may prohibit from interstate commerce articles which endanger the agents and carriers in transportation, such as explosives and loose hay.

My mind is clear that if we can enact a law which the Supreme Court upholds, prohibiting the transportation in interstate commerce of articles which, though innocent in themselves, yet, because of the use to which they will be put, may be prohibited as being against the morals of the Nation, so we may by law prohibit the transportation in interstate commerce of articles which have been produced in such a way as to operate against the morals of the Nation. If we may prohibit the transmission of articles in interstate commerce because of the final use to which those articles or products are put, we may follow them back to the system under which they were produced.

I shall not argue the constitutional question, but I do not believe that real constitutional lawyers who will discuss it and argue it in the light of the opinions of the Supreme Court, without being prejudiced by their own individual opinions upon its political and economic phases, will ever fail to hold that this law is entirely constitutional. [Applause.]

Mr. BARTLETT. Mr. Chairman, I do not propose to undertake at this late hour to say anything much in reply to what the gentleman from Pennsylvania [Mr. PALMER] has said. I want to say, however, that I did not know at the time that the gentleman was not in the House. I was informed that he was. I would have said what I did say had he been present, and he knows that, I am sure.

I do not arrogate to myself any great knowledge of constitutional law, Mr. Chairman, nor believe or consider myself or pretend to be any great constitutional lawyer, but I do believe, and, so far as I can judge from what the Supreme Court has decided in other cases, I am confident they will hold the bill he refers to to be unconstitutional, if it ever becomes a law. And believing that, in construing the Constitution of the United States, it is my duty when I come to vote upon a question that I believe is contrary to that instrument to vote against it.

Now, the Supreme Court of the United States in the lottery case did not decide that Congress had the right to prohibit the transmission of any legitimate article of commerce through the channels of interstate commerce. They distinctly decided in that case that they would not decide that such was the law. Great lawyers, among them one who has been Attorney General of the United States from the State of Pennsylvania, have in another body rendered reports from the Committee on the Judiciary in which they have questioned the constitutionality of laws like this.

I have no apologies, Mr. Chairman, to make for the assertion that I believe in the Constitution of the United States. I believe we should preserve it, Mr. Chairman, because only by preserving it can we maintain and perpetuate this Government. And I can not do better than to call attention to what was said by the great orator, Edmund Burke, upon an occasion when he was urged to agree to a certain bill for reform in the British Parliament, when he refused to advocate certain measures which, in his opinion, violated the constitution of Great Britain, though unwritten. He said on that occasion, "We should bear in mind that we have a Government to preserve as well as a Government to reform." And I am unwilling to give my adherence to the proposition that the Congress of the United States can do what the gentleman from Pennsylvania [Mr. PALMER] says it can do, namely, exercise the power given

under the commerce clause for the purpose of regulating or executing the police laws of the States.

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

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

Mr. BARTLETT. Yes.

Mr. PALMER. Do not do me the injustice to say that I said anything of that sort.

Mr. BARTLETT. I so understood you.

Mr. PALMER. No. What I say is that the Congress has the right to prohibit from interstate commerce any product which was manufactured and produced under conditions which call for the exercise of the police power in the State where it was produced.

Mr. BARTLETT. That is virtually the same.

Mr. PALMER. Oh, no.

Mr. BARTLETT. Yes; it is. I beg the gentleman's pardon; that is the same—that if the State, in the exercise of its police power, has imposed upon it the duty of correcting certain evils that exist in it and fails to exercise that power, then it becomes the duty of the United States Congress to exercise the power of the interstate-commerce clause of the United States Constitution to regulate those things. Now, I do not profess to be a great lawyer, but I do not suppose that anybody who professes to be a great lawyer or to be a lawyer at all would make any such claim as that.

Mr. Chairman, in all seriousness, I did not mean any reflection upon the gentleman from Pennsylvania. I do not doubt that he has used every effort, as he has stated, in his State to correct these evils. I would not have said anything about the gentleman or his bill if he had not challenged the votes of those who had voted against the bill in his speech in reply to my colleague [Mr. TRIBBLE]. I would have contented myself with simply voting my conviction. But I repeat, Mr. Chairman, that I do not believe Congress has the right to exercise the power of the commerce clause of the Constitution to prohibit the transmission through the channels of commerce perfectly legitimate articles of commerce.

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

Mr. BARTLETT. Mr. Chairman, I want just five minutes more.

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

There was no objection.

Mr. BARTLETT. Mr. Chairman, I believe that we should preserve the Constitution of the United States. I believe it is the great charter of our liberties, and that if we attempt, because the States do not exercise their reserve rights, to assume on the part of the United States Congress the power to pass police laws, then there is nothing left to it.

Mr. Chairman, the English people have a great constitution, which they call the Magna Charta, the chart of English liberty. I will conclude by quoting Stimson on the Constitution:

It is a sad contrast between the way that so many of our people or our newspapers feel to-day, 120 years after the adoption of our Magna Charta, and the way the people felt in England, exactly the same time, 120 years, after the adoption of their own. For in 1253, 138 years after John's charter, in the thirty-seventh year of the reign of Henry III, a popular King, a great jurist, and a radical maker of new laws: "On the 3d day of May [I read from the statutes of the realm in Latin], in the great hall of the King of Westminster, in the presence of the King and his brother and the marshal of England and the other estates of the realm, we, Boniface, Archbishop of Canterbury, and the bishops of London, and Ely and Rochester, and Worcester, and Lincoln, and Norwich and Carlyle, and St. David's, all appareled in pontificals, with tapers burning, against the breakers of the liberties or customs of the realm of England, and, namely, those which are contained in the charter of the common liberties of England, excommunicate, accurse, and from the benefits of our holy mother the church sequester all those who by any craft or willness do violate, break, diminish, or change the statutes and free customs of the realm of England, to the perpetual memory of which excommunication we, the aforesaid prelates, have put our seals."

So in 1253 they felt in England when they called attention to the great charter of English liberties, and so in 1910, to-day, when we love that great charter of English liberties and swear to observe the greater charter of American liberties, to-day we feel that the curses of those who love liberty should be visited upon those who violate it.

Mr. Chairman, these great lovers of English liberty and of the Magna Charta, for more than 120 years after it had been adopted, were accustomed to gather for the purpose of perpetuating that great charter and pronouncing condemnations against those who would violate it. Now, nearly 130 years after our great instrument was adopted, when we have lived under it and perpetuated our Government under it, I have no love for those who would destroy it by the means that the gentleman from Pennsylvania [Mr. PALMER] undertakes to destroy it. I have no apologies to make to him or to any one else of these reform-

ers who would destroy our Government in order to reform it. [Applause.]

Mr. MOORE. Mr. Chairman, I move to strike out the last word. I am glad this discussion between my friends from Georgia and Pennsylvania [Mr. BARTLETT and Mr. PALMER] was confined, in large part, to constitutional lines, because I want to avoid that sort of a discussion. My regret is that the gentleman from Pennsylvania [Mr. PALMER], who was sent for to come to the defense of his State in consequence of the attack of the gentleman from Georgia [Mr. BARTLETT], has seen fit to attack Pennsylvania rather than to defend it. My friend [Mr. PALMER] is a colleague for whom I have great respect. I especially respected him in the last campaign when he had the courage to accept a nomination for Senator from Pennsylvania in order to test out those views he entertained with regard to the spoliation of the State by the party in power. Everything he has said to-day about the State being despoiled he said with tenfold vehemence from every stump in every town he could reach with his own resources and those that were contributed to his campaign by wealthy patrons of the Democratic Party. But the people of the State did not accept the arguments and charges of the gentleman from Pennsylvania [Mr. PALMER] at the valuation he has given them in his argument to-day.

The people of Pennsylvania heard all of this talk about the State being despoiled. There are 8,000,000 of them over there, and they are pretty sensible. About 1,000,000 of them voted. But when the gentleman from Pennsylvania [Mr. PALMER], who has not defended his State as I hoped he would to-day, came amongst the people of the State to tell them of the wrongs that had been inflicted upon them, he failed to tell them anything about the low tariff he had helped to inflict upon them.

The people of Pennsylvania knew the industrial record of the State for more than 100 years. They understood, for they had enjoyed the progress and prosperity that had resulted from a protective-tariff system; they knew it to be a mill-building rather than a mill-destroying system; a labor-employing, rather than a labor-despoiling system, and they were not especially enamored of the things my colleague undertook to say to them. They knew that in the matter of educating our children we spend more money in Pennsylvania for the public-school system, perhaps, than is spent in any other State of this Union, with the possible exception of one. They knew that 1,000,000 children were going to school in Pennsylvania, and that we had even a compulsory education law, of which my colleague [Mr. FARR] was the author when he was in the Pennsylvania Legislature. They knew we had a law regulating the employment of child labor. We have a law which prevents them from laboring under 14 years of age, and, with certain conditions, under 16 years of age. The people said, "We do not agree with you, Mr. PALMER, that this State, which has been builded up under a protective-tariff system until it is the most prosperous industrial community in the world, and until it has acquired the largest individual farming community in the country—we do not agree with you, Mr. PALMER, of Pennsylvania, when you say that this State, which under the old system has grown rich, which under the old system has kept all its people employed, which under this system has put itself absolutely out of debt—we do not agree with you, Mr. PALMER, that this great Commonwealth of Pennsylvania has been despoiled." [Applause.]

But the gentleman from Pennsylvania [Mr. PALMER] persisted. He continued to tell his story from one end of the State to the other, and people who were ambitious for power, or who were fond of getting their pictures in the newspapers as belonging to the uplift, contributed largely to his campaign. The newspapers published his terrible tales of spoliation and reveled in the destruction of his opponent, but the people, the voters of the Commonwealth, knew what the gentleman stood for, and on election day they marched up to the polls and by a majority of more than 250,000 they buried Mr. PALMER and told him his charges were not true.

Mr. PALMER rose.

Mr. MOORE. Does the gentleman want to ask me a question?

Mr. PALMER. I want to try to get a little time after the gentleman has concluded.

Mr. MOORE. The gentleman says he can not remain silent while his State is being despoiled. The gentleman has told the people of his Commonwealth all this, but he has not been supported by those to whom he made his appeal. He should not find fault with them now.

Mr. DONOHUE. Will my colleague yield?

Mr. MOORE. Yes; I yield to my colleague from an important industrial district of Philadelphia, and I suggest that before he

asks me a question he answer one from me, as to whether there is not a great lack of employment in his district just now?

Mr. DONOHUE. I had rather answer it by propounding my own question first.

Mr. MOORE. Well, I would like to ask the gentleman an Irish question—

Mr. DONOHUE. On that I am at home.

Mr. MOORE (continuing). Whether it is true that in his district there is a tremendous number of the unemployed just now, due to a Democratic tariff law, of which the gentleman from Pennsylvania [Mr. PALMER] was partly the author?

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORE. I ask for five minutes more.

The CHAIRMAN. The gentleman from Pennsylvania asks that his time be extended five minutes. Is there objection?

There was no objection.

Mr. DONOHUE. I will answer the gentleman by saying that there is a tremendous demand for a better child-labor law in our State.

Mr. MOORE. That may be. There is also a desire for it because a number of the ladies who do not have any children and who do not understand that the widowed mothers whose children must have some support are anxious to keep this uplift publicity game going. I have seen the children of the poor, who were supporting widowed mothers in wretched apartments, turned out of their employment and made to walk the streets because of the restrictions imposed by some of these laws.

But what I wanted to know of the gentleman from Pennsylvania [Mr. PALMER], who speaks of the despoiling of his State, whether there has been anything under heaven that has so tended to despoil our State, that was more prosperous than any other in the country, than the Underwood tariff bill, the steel schedule of which was written by the gentleman from Pennsylvania [Mr. PALMER], who now prates about the spoliation of his State?

Go into the mill districts represented in part by the gentleman who has just interrogated me [Mr. DONOHUE] and look at the long lines of unemployed to-day, who were actively and busily employed before the gentleman who speaks of the spoliation of his State got in his deadly free-trade work.

Go into my own district where the people got good wages two and a half years ago, happy men, women, and children, and where there was no great necessity for passing restrictive laws and see them to-day wending their toilsome, weary way to the soup houses to obtain the sustenance of life.

Mr. BORLAND. Will the gentleman yield?

Mr. MOORE. The gentleman from Missouri arises. He knows that there is a large number of unemployed in Kansas City. A newspaper clipping handed to me day before yesterday states that in Kansas City there are 5,000 men seeking an opportunity for employment. These are days of Democratic spoliation.

Mr. BORLAND. Whoever said that did not know what he was talking about, for it is not the fact.

Mr. MOORE. When we had the protective system, as the gentleman from Pennsylvania knows—

Mr. BORLAND. What was the condition in the gentleman's district in 1907?

Mr. MOORE. In 1907 we were doing as well as could be expected. [Cries of "Oh!" "Oh!" and laughter on the Democratic side.] The gentleman knows that in 1907 there was no tariff panic. The gentleman from Missouri [Mr. BORLAND], just as all Democrats do, seeks to evade, when the tariff question is reached, by pointing to the financial panic of 1907 as an excuse for the wickedness of the existing tariff law, which actually took labor away from the people of the United States. [Applause.]

Mr. FOWLER. Will the gentleman yield?

Mr. MOORE. I can not yield, much as I like my friend from Illinois. He made a beautiful soldier speech to-day, but I have got to finish this. Only the other day the gentleman from Pennsylvania who speaks about the spoliation of his State voted to still further decrease the opportunities for labor in his State. He voted to take away from the shipyards of the Delaware River, where we build more ships and give more employment in this calling than elsewhere—he voted to take away the wages of men who are laboring there in order that the Government might take their money to build ships in foreign shipyards. The gentleman voted for the passage of that ship bill, which would take the bread and butter from the mouths of the workmen in his own district, where at the Bethlehem Steel Works they are now employed. When he voted to transfer American work and wages to foreign shipyards he contributed still further

to that work of spoliation in Pennsylvania so unhappily begun when he assisted in putting the Democratic free-trade tariff law into effect. Spoliation of the State is not the brick the gentleman ought to throw.

Mr. PALMER rose.

Mr. MANN. Mr. Chairman, I wish the gentleman would yield to me just a moment or two. I want to say to the Republican side of the House that I have asked the chairman of the Republican conference to call a conference of Republicans to-morrow afternoon to be held in the Hall of the House immediately after the adjournment of the House, in reference to a matter which the gentleman from North Carolina [Mr. KITCHIN] communicated to me to-day; and I want to say that if there are any Members elect in the next House who are here, we want them to attend the conference as well.

Mr. PALMER. Mr. Chairman, the remarks of my friend and colleague, the gentleman from Philadelphia [Mr. MOORE], are only another illustration of what I said awhile ago was the cause of the evils from which we suffer in Pennsylvania, and that is the fact that the government there is controlled by a combination between the most corrupt political organization in America and the most avaricious and greedy set of manufacturers on earth. [Applause on the Democratic side.] It is perfectly natural, in view of the fact that the attack which we made upon this hog combine in Pennsylvania in 1914, and which resulted in a majority by 28,000 of the people of Pennsylvania repudiating its foremost friend and exponent, that when we go after the hog combine, it should squeal; and I have always observed that the smaller the pig the louder the squeal. [Laughter and applause on the Democratic side.] The gentleman says that what we argued for in Pennsylvania in 1914 was repudiated. Not at all. Nearly 30,000 more men voted against what the gentleman stands for in Pennsylvania this year than voted for it, and only because of the unfortunate circumstance that the enemies of this corrupt combine could not be joined upon single candidates is the gentleman permitted to boast that Pennsylvania to-day can have in the United States Senate a member of his own political party.

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

Mr. PALMER. Yes; I yield to my friend.

Mr. BUTLER. I am obliged to the gentleman, but I did not quite understand him. Was there not a unity upon the candidate for governor?

Mr. PALMER. The gentleman is a gentleman of keen understanding, and he knows perfectly well what I meant when I said that the chief of the Republican organization in Pennsylvania was repudiated in 1914 by a big majority of the voters of Pennsylvania. He knows. When the gentleman says that it was the Underwood tariff law, for which I am partly responsible, that brought about that result in Pennsylvania, he knows that he is not speaking according to the facts. I make no apology for the Underwood tariff law, and in my district, the greatest industrial district in Pennsylvania and one of the greatest in the Nation, I have defended it upon every stump, and the voters have supported it by a big majority; and that great district, with one of the biggest steel and iron mills in America, will be represented in the next Congress, as in this, by a Jeffersonian Democrat who believes in the Underwood tariff law. [Applause on the Democratic side.] I will tell the gentleman—no, not him, because he knows—but I will tell other gentlemen what caused the result in Pennsylvania. It was not the tariff that beat the Democratic Party, it was rum—r-u-m—for the organized liquor traffic of Pennsylvania, operating alongside of the vicious interests which the gentleman from Pennsylvania always supports, threw into that campaign the largest campaign fund ever known in a State campaign in the history of our country, and it took, as the gentleman knows, more than a million dollars to seat a Republican Senator in the United States Senate. [Applause on the Democratic side.] Why, the gentleman's party organization in Philadelphia and in the State has filed accounts in which they admit—admit—having spent \$750,000 for that purpose, and my experience with the Republican machine is that what they do not admit is at least twice what they do confess. [Applause on the Democratic side.]

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

Mr. PALMER. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

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

Mr. PALMER. For a question.

Mr. MOORE. Will the gentleman state how much was expended by the Democratic campaign committee in Pennsylvania in the last senatorial fight?

Mr. PALMER. Certainly. There was expended in the senatorial fight, and the fight for the State ticket included, approximately \$75,000. Why, the gentleman knows that the Republican State committee in Pennsylvania when it filed its account admitted unpaid obligations exceeding in amount all that the Democratic Party expended in the State.

Mr. MOORE. That is evidence of honesty in expenditure—that we owed \$90,000.

Mr. PALMER. I am waiting to see whether you pay it.

Mr. MOORE. I would like to ask the gentleman, since he has been personal, whether he would indicate how much money was spent in all by the gentleman who ran for governor of Pennsylvania on the Democratic ticket—

Mr. PALMER. Oh, well—

Mr. MOORE. He was a rich man.

Mr. PALMER. I do not remember, but I believe he accounted for \$33,000, or something of that kind. I can not yield further.

Mr. MOORE. But the gentleman—

Mr. PALMER. It is so infinitesimally small in comparison with what the Republicans have spent it is hardly worth the time to consider it.

Mr. MOORE. Why does not the gentleman be fair and tell us what was spent on his side?

Mr. PALMER. I have said.

Mr. MOORE. What the gentleman and his colleague, who ran for governor—

Mr. PALMER. I have answered the gentleman's question.

Mr. MOORE. The gentleman has not; the matter has been concealed.

Mr. PALMER. Now, Mr. Chairman, the gentleman from Pennsylvania defends the action of the Republican legislature in our State in refusing to pass laws to protect little children upon the same old plea, the same old ground, that without those laws Pennsylvania has prospered and become rich and great. He says that our great textile industries, all of our industries have grown wealthy, and that is true. I know men who have woolen mills in our State who say they can consign them to the scrap heap and still show a great profit under Republican tariff laws. I do not deny that wealth has been produced, I do not deny that men have grown rich, but I do declare, as a Pennsylvanian, that the greed of these men, ever seeking additional wealth, ought not to be strong enough to grind down into the mire the little boys and girls, the mothers and fathers of to-morrow's generation. [Applause on the Democratic side.] And the gentleman from Pennsylvania, who knows as well as any man in our State the true Quaker spirit of that great old Commonwealth, when pushed into a corner, now defends the interests that he and his colleagues represent upon this floor, still when the question was presented day before yesterday, out of fear of the righteous wrath of the mothers of Philadelphia, he ran away and would not vote against this child-labor bill. [Applause on the Democratic side.] I have no patience with the gyrations of a gentleman who tries to play both sides against the middle in that fashion.

Mr. MOORE. Does the gentleman want me to tell him—

Mr. PALMER. He runs away from the wrath of the mothers and fathers of Pennsylvania, and at the same time defends the protected interests of our State. [Applause on the Democratic side.]

Mr. Chairman, one word in reference to the Georgia statute, which I have sent for and received. The gentleman from Georgia says it was a liberal statute protecting children, and I notice it provides that no child under 10 years of age shall be employed. [Laughter on the Democratic side.]

Mr. BARTLETT. But the gentleman has not read it all.

Mr. PALMER (reading)—

No child under 10 years of age shall be employed or allowed to labor in or about a factory or manufacturing establishment within this State under any circumstances.

Under certain conditions a child under 12 years of age shall not be employed, and in reference to children under 14 years of age it says:

On and after January 1, 1908, no child, except as heretofore provided, shall be employed or allowed to labor in or about any factory or manufacturing establishment within this State between the hours of 7 p. m. and 6 a. m.

I admit, though I do not pretend to be the lawyer my distinguished colleague from Georgia is, that under that law children under the age of 14 can work between 6 a. m. and 7 p. m., and I congratulate the gentleman in having a State in the same class with our own beloved Pennsylvania. [Laughter.]

Mr. BARTLETT. Will the gentleman read the next section?

Mr. PALMER. I read it.

Mr. BARTLETT. The gentleman has not read the next section.

Mr. MOORE. Mr. Chairman—

Mr. UNDERWOOD. Mr. Chairman, I do not like to interfere with the discussion of the gentlemen that is not pertinent to this bill, but the hour is growing late, and it is desired, if possible, to start on another appropriation bill to-night.

Mr. MANN. Ask unanimous consent that all debate on this bill close in five minutes.

Mr. UNDERWOOD. Mr. Chairman, I ask unanimous consent that all further debate on this paragraph close in five minutes, with the understanding that we will go on and pass the pension bill then.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent that all debate on this bill close in five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. FARR. Mr. Chairman, it surprises me that the gentleman from Pennsylvania [Mr. PALMER] is willing to compare the child-labor laws of Pennsylvania with those of Georgia. In Pennsylvania a child under 14 years of age shall not work—

Mr. TRIBBLE. Will the gentleman yield?

Mr. FARR. I have only five minutes. If you could accord me a little more time—

Mr. TRIBBLE. I wanted to ask one question.

Mr. FARR. Unless that child can read and write he shall not work until he is 16. I want to say that no State of the Union has better factory laws, better child-labor laws than the State of Pennsylvania, and I defy the gentleman from Pennsylvania [Mr. PALMER] to disprove that statement. But my point is this—

Mr. PALMER. Mr. Chairman—

Mr. FARR. I have only five minutes.

Mr. PALMER. The gentleman defies me.

Mr. FARR. If you will see that I get five minutes more I will yield. But the manifest unfairness of such a comparison does not any more astonish me than the gentleman's hypocrisy on the floor of this House—

Mr. TRIBBLE. Will the gentleman yield?

Mr. FARR. (continuing). Any more than his demagoguery on the floor of this House. The protected State of Pennsylvania, the men and women who are deprived of work, defeated the gentleman. So far as association with the corporations and the manufacturers of Pennsylvania is concerned, no man stands closer than the gentleman from Pennsylvania [Mr. PALMER]. He admitted on the floor of this House at the time that he was preaching this demagogism that he was the paid employee of the Delaware, Lackawanna & Western, of Scranton, and I say that he was a paid legal lobbyist in Harrisburg, fighting splendid measures in the interest of human welfare.

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

Mr. FARR. Yes; if I can get more time to finish my statement.

Mr. PALMER. I shall not take much time.

Mr. FARR. Now, what I attack is the hypocrisy—

Mr. PALMER. Will the gentleman yield?

Mr. FARR. I do not like to be discourteous. I have made certain statements, and I shall yield to the gentleman. I think the House will be fair to me and accord to me any reasonable time I want.

Mr. PALMER. I simply ask the gentleman to yield for the purpose of permitting me to say that when the gentleman declares I, anywhere or at any time, made the statement that I was a paid lobbyist of any railroad corporation—

Mr. FARR. I did not say any such thing.

Mr. PALMER. That is exactly what the gentleman said. If the gentleman makes the statement—

Mr. FARR. I object.

Mr. PALMER. If he says that, it is absolutely false—and he knows it.

Mr. FARR. I say to the gentleman that I charge him now, as I charged him before, with being a lawyer in the employ of the Delaware, Lackawanna & Western Railroad, and also as a paid legal lobbyist in Harrisburg, fighting measures in the interest of the children and the women and for the highest human welfare of our people.

Mr. PALMER. And I say it is absolutely false.

Mr. FARR. It is true. No other State in the Union—and I challenge the gentleman from Pennsylvania, who is befouling his own nest, to point to another State—compares in real, substantial progress in the interest of the people with Pennsylvania. It was the first to take up this great question of tuberculosis. It spent more money than all the other States combined in the investigation of the causes that led to that dread disease.

Mr. GALLIVAN. I would like to ask the gentleman to yield for a minute. I just want to correct the statement he has made. Massachusetts was the first State in the Union to take up the

question of fighting tuberculosis. The old Bay State led the way in waging war against the dread white plague, and I am particularly proud to have had a prominent part in that kind of a campaign.

Mr. FARR. Massachusetts does not compare with Pennsylvania in that respect.

Mr. GALLIVAN. Not in rotten politics, thank God!

Mr. FARR. Now, the reason the gentleman from Pennsylvania [Mr. PALMER] advances for his defeat in Pennsylvania is rum. The gentleman went all over the State of Pennsylvania talking against rum, and he came down here and voted for rum. The gentleman went all over the State with Mr. McCormick, his colleague on the ticket for governor, the former mayor of Harrisburg, talking about the toiling men and women and those who have suffered terribly as the result of the oppressiveness of corporations and manufacturers. Mr. McCormick when mayor of Harrisburg vetoed an ordinance presented to him, asking him to advance the price of labor from \$1.35 to \$1.50 a day when that city was spending vast sums for beautification.

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

Mr. FARR. Mr. Chairman, I ask for two minutes more.

Mr. MOORE. Mr. Chairman, I ask unanimous consent that my colleague may have five minutes more, because the other gentleman from Pennsylvania [Mr. PALMER] has taken that much of his time.

Mr. HULINGS. Oh, we have already had too much of this "bunk."

Mr. BARTLETT. Mr. Chairman, I ask that the gentleman from Pennsylvania [Mr. FARR] may have five minutes.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that the gentleman from Pennsylvania [Mr. FARR] may proceed for five minutes. Is there objection?

Mr. HULINGS. I object.

Mr. PALMER. Mr. Chairman, I rise to a question of personal privilege.

Mr. MANN. You can not do that in committee.

The CHAIRMAN. The gentleman is unable to do that in Committee of the Whole.

Mr. PALMER. Mr. Chairman, I ask unanimous consent that I may proceed for five minutes.

The CHAIRMAN. Is there objection to the gentleman's request?

Mr. GREENE of Massachusetts. I object.

Mr. PALMER. (continuing). To answer the charges made against me by the gentleman from Pennsylvania [Mr. FARR].

Mr. MANN. Oh, the gentleman has made more charges than all the other Members of the House combined, and he does not want anybody to reply to them.

The CHAIRMAN. Objection is heard.

Mr. BARTLETT. Mr. Chairman, I move that the committee do now rise and report the bill to the House with the amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The CHAIRMAN. The gentleman from Georgia [Mr. BARTLETT] moves that the committee do now rise and report the bill to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CLINE, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 21161) making appropriations for the payment of invalid and other pensions of the United States for the fiscal year ending June 30, 1916, and for other purposes, had directed him to report the same back to the House with an amendment with the recommendation that the amendment be agreed to and that the bill as amended do pass.

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

The SPEAKER. Let us get through with this bill first. The gentleman has the right to rise to a question of personal privilege.

Mr. MANN. If that is the case, before we pass this bill I will raise the point that there is no quorum present.

Mr. PALMER. Mr. Speaker, I think the gentleman should allow me five minutes in view of the kind of talk that has been had on the floor.

The SPEAKER. The gentleman from Pennsylvania [Mr. PALMER] desires to state a question of personal privilege.

Mr. MANN. Very well. I make the point that there is no quorum present.

The SPEAKER. The gentleman from Illinois [Mr. MANN] makes the point that there is no quorum present. The Chair will count.

Mr. PALMER. Mr. Speaker, I withdraw my request for the present.

The SPEAKER. The gentleman from Pennsylvania withdraws his request.

Mr. MANN. I will withdraw my point of no quorum, Mr. Speaker.

Mr. GARRETT of Texas. Mr. Speaker, I renew the point of no quorum.

The SPEAKER. The gentleman from Texas [Mr. GARRETT] makes the point that there is no quorum present. There were only 115 Members present when the Chair counted, and 2 more make 117. That is not a quorum. There is no quorum present.

Mr. BARTLETT. Mr. Speaker, I move a call of the House.

Mr. GARRETT of Texas rose.

The SPEAKER. For what purpose does the gentleman from Texas rise?

Mr. GARRETT of Texas. For no purpose at all. [Laughter.]

The SPEAKER. The question is on agreeing to the motion of the gentleman from Georgia, that a call of the House be ordered.

The question was taken, and the Speaker announced that the yeas seemed to have it.

Mr. BARTLETT. Mr. Speaker, I call for a division.

The SPEAKER. The gentleman from Georgia calls for a division.

The House divided; and there were—yeas 67, yeas 43.

So a call of the House was ordered.

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

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 82.]

| | | | |
|-----------------|-----------------|----------------|-----------------|
| Alken | Gittins | Linthicum | Sabath |
| Alexander | Glass | Loft | Scott |
| Anthony | Goldfogle | Logue | Seldomridge |
| Avis | Gorman | McClellan | Sells |
| Baker | Graham, Pa. | McGuire, Okla. | Sherley |
| Barchfeld | Green, Iowa | McKenzie | Sims |
| Barnhart | Greene, Vt. | MacDonald | Sisson |
| Beall, Tex. | Gregg | Mahan | Slayden |
| Bell, Cal. | Griest | Maher | Slemp |
| Bowdle | Guernsey | Manahan | Small |
| Britten | Hamill | Metz | Smith, Idaho |
| Broussard | Hamilton, N. Y. | Miller | Smith, Md. |
| Brown, N. Y. | Hamlin | Mondell | Smith, Minn. |
| Brown, W. Va. | Haugen | Montague | Smith, Saml. W. |
| Browne, Wis. | Hay | Moon | Sparkman |
| Bruckner | Helgesen | Morgan, La. | Stanley |
| Burgess | Helm | Morin | Stedman |
| Burke, Pa. | Henry | Morrison | Steenerson |
| Calder | Hensley | Moss, Ind. | Stephens, Tex. |
| Cantor | Hinds | Moss, W. Va. | Stevens, Minn. |
| Cantrill | Hinebaugh | Mott | Stevens, N. H. |
| Carr | Hobson | Mulkey | Stout |
| Cary | Howard | Murdock | Stringer |
| Chandler, N. Y. | Howell | Nelson | Talbot, Md. |
| Church | Hoxworth | Nolan, J. I. | Taylor, Ala. |
| Clark, Fla. | Hughes, W. Va. | O'Brien | Taylor, Colo. |
| Claypool | Hull | Oglesby | Taylor, N. Y. |
| Coady | Humphrey, Wash. | O'Hair | Ten Eyck |
| Copley | Igoe | O'Shaunessy | Thomson, Ill. |
| Cox | Johnson, Ky. | Padgett | Towner |
| Cramton | Johnson, S. C. | Page, N. C. | Townsend |
| Crosser | Johnson, Utah | Paige, Mass. | Treadway |
| Dale | Johnson, Wash. | Parker, N. Y. | Tuttle |
| Danforth | Jones | Patten, N. Y. | Underhill |
| Davis | Kahn | Patton, Pa. | Vare |
| Decker | Kelley, Mich. | Peters | Vollmer |
| Deltrick | Kent | Peterson | Volstead |
| Dooling | Key, Ohio | Plumley | Walker |
| Driscoll | Kiess, Pa. | Porter | Wallin |
| Dunn | Korbly | Post | Weaver |
| Edmonds | Kreider | Pou | Webb |
| Elder | Lafferty | Powers | Whaley |
| Estopinal | Langham | Price | Whitacre |
| Evans | Langley | Prouty | White |
| Fairchild | Lazaro | Raker | Wilson, Fla. |
| Faison | Lee, Ga. | Rauch | Wilson, N. Y. |
| Fergusson | L'Engle | Rayburn | Wingo |
| Finley | Lenroot | Reed | Winslow |
| FitzHenry | Lever | Riordan | Witherspoon |
| Fowler | Levy | Roberts, Mass. | Woodruff |
| Gardner | Lewis, Md. | Roberts, Nev. | Woods |
| George | Lewis, Pa. | Rothermel | Young, N. Dak. |
| Gerry | Lindquist | Rucker | |

During the calling of the roll Mr. DIFENDERFER occupied the chair as Speaker pro tempore.

The SPEAKER. Two hundred and thirteen Members, a quorum, have answered to their names.

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

The motion was agreed to.

The SPEAKER. The Doorkeeper will unlock the doors. When the point of no quorum was made the gentleman from Georgia [Mr. BARTLETT] had moved the previous question on the bill to its passage. That is the pending question.

The previous question was ordered.

The SPEAKER. The question is on the amendment to the bill.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time.

The SPEAKER. The question is on the passage of the bill. The question was taken.

The SPEAKER. The yeas appear to have it; the yeas have it, and the bill is passed.

Mr. BARTLETT. Mr. Speaker, I move to reconsider the vote by which the bill was passed, and I move to lay that motion on the table.

Mr. CALLAWAY. Mr. Speaker, I demand the yeas and nays on the passage of the bill.

The SPEAKER. The gentleman is a little late.

Mr. BARTLETT. I have moved to reconsider.

The SPEAKER. The gentleman is a little late, but the Chair wants to be on the safe side. The gentleman from Texas demands the yeas and nays on the passage of the bill.

The yeas and nays were refused, three Members, not a sufficient number, rising in support of the demand.

Mr. CALLAWAY. Mr. Speaker, I make a point of order that there is no quorum present.

Mr. SMITH of New York. I make the point of order that that motion is dilatory.

The SPEAKER. The Chair thinks it is. It is only a minute since the roll call disclosed a quorum.

Mr. PALMER. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes.

Mr. MANN. But the gentleman from Texas has made the point of no quorum on the passage of the bill.

The SPEAKER. The Chair understands that, but the Chair thinks there is a quorum here, because the roll call has just disclosed one.

Mr. MANN. Well, the rules require the Chair to count, especially on the passage of a bill.

The SPEAKER. The Chair wants to be on the safe side, and will count.

Mr. FITZGERALD. Will the gentleman withhold his point a moment, to enable me to report an appropriation bill?

Mr. MANN. The gentleman can not withhold it.

Mr. FITZGERALD. He can withdraw it.

The SPEAKER. He can withdraw it at any time before the count is made.

Mr. MANN. He can withdraw it, but he can not withhold it when the pending question is on the passage of the bill.

Mr. CALLAWAY. Mr. Speaker, I will withdraw the point.

The SPEAKER. The gentleman from Texas withdraws the point of no quorum. The bill is passed.

On motion of Mr. BARTLETT, a motion to reconsider the vote by which the bill was passed was laid on the table.

ENROLLED BILLS SIGNED.

Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 20562. 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.

The SPEAKER announced his signature to enrolled bills of the following titles:

S. 2518. An act granting to the town of Nevadaville, Colo., the right to purchase certain lands for the protection of water supply; and

S. 5629. An act for the relief of certain persons who made entry under the provisions of section 6, act of May 29, 1908.

SENATE BILLS REFERRED.

Under clause 2 of Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 7188. An act to increase the limit of cost of the United States post-office building at Garden City, Kans.; to the Committee on Public Buildings and Grounds.

S. 7515. An act to reserve lands to the Territory of Alaska for educational uses, and for other purposes; to the Committee on the Public Lands.

FORTIFICATIONS APPROPRIATION BILL.

Mr. FITZGERALD. Mr. Speaker, the gentleman from Kentucky [Mr. SHERLEY] was directed by the Committee on Appropriations to report the fortifications appropriation bill. He was called away unexpectedly, and I present the bill in his behalf.

The bill (H. R. 21491) making appropriations for fortifications and other works of defense, for the armament thereof, for the procurement of heavy ordnance for trial and service, and for other purposes, was read a first and second time, referred to the Committee of the Whole House on the state of the Union, and, with the accompanying report (No. 1416), ordered to be printed.

Mr. MANN. Mr. Speaker, I reserve all points of order on the bill.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. WHALEY, indefinitely, on account of illness.

HOUR OF MEETING TO-MORROW.

Mr. UNDERWOOD. Mr. Speaker, I ask unanimous consent that when the House adjourn to-day it adjourn to meet at 11 o'clock a. m. to-morrow.

The SPEAKER. The gentleman from Alabama [Mr. UNDERWOOD] asks unanimous consent that when the House adjourn to-day it adjourn to meet at 11 o'clock a. m. to-morrow. Is there objection?

There was no objection.

PERSONAL STATEMENT.

Mr. PALMER. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to proceed for 10 minutes. Is there objection?

There was no objection.

Mr. PALMER. Mr. Speaker, I deeply regret the necessity which compels me to submit a few remarks upon the subject about which I am about to speak. Two weeks from to-day I retire from the House, and I had hoped that I might retire in peace, with the good will of all of my colleagues here, including all of the gentlemen from Pennsylvania. I do not believe in fighting. I am a Quaker, though I ask no particular consideration at anybody's hands on that account. I hesitate and I dislike to engage in altercation or controversy about personal matters; but for the second time my colleague, the gentleman from Pennsylvania [Mr. FARR], has seen fit to cast aspersions upon my honor and integrity as a man, as a lawyer, and as a Member of this House. I made no reference to him and his attack upon me was wholly unwarranted and uncalled for. He has declared, and in fact he calls it a charge, that I am the paid attorney of the Delaware, Lackawanna & Western Railway Co., and that I have been the paid lobbyist before the Legislature of Pennsylvania representing that corporation. As to the insinuation and innuendo contained in that statement, I pronounce it to be absolutely false. As to my employment by the Delaware, Lackawanna & Western Railroad Co., the facts are simple and are these, as I stated once before upon this floor, and as all of my people in my district know, and as everybody who is interested in Pennsylvania knows: For many years the office with which I am associated has been the local counsel of the Delaware, Lackawanna & Western Railroad Co. I inherited that client along with others from a very distinguished partner, who had been for many years a Member of this House and who was a judge upon the bench in our State. I represented it in the courts of my county in the usual way, trying damage, personal-injury, and other like cases, and in the Supreme Court of Pennsylvania, and nowhere else.

I have not tried a case for the company since I have been in Congress. I have performed no legal service for the company since I have been in Congress. Before I came here I felt it to be perfectly proper for a lawyer to accept a railroad corporation as a client in proper cases. I still think that; and when two weeks from to-day I return to the practice of law I hope that I may have opportunities in proper cases to represent such and all other clients. I make no bones about that; and no honest lawyer has ever held any other position. [Applause.]

The gentleman declares me also to have been the paid lobbyist of that corporation.

Mr. FARR. Mr. Speaker, will the gentleman permit me to interrupt him?

Mr. PALMER. Oh, I know what the gentleman said.

Mr. FARR. I yielded to the gentleman.

The SPEAKER. Does the gentleman yield?

Mr. PALMER. I decline to yield. The facts about that are these, that in the legislature of 1907, before I was elected to

Congress, when every railroad corporation in Pennsylvania had been suffering from what is known as "strike legislation"—bills introduced by charlatans and crooks for the purpose of holding up railroad companies—they requested certain attorneys representing them to make legal arguments against these propositions before the committees of the house and senate. I was one of those lawyers. I never asked a member of the legislature to vote for or against any bill. I never interviewed any of them in the senate or the house personally about any bill.

I went before the committees of the legislature and made purely legal arguments upon proposed legislation in an open and public fashion. It was a part of my retainer that I should be permitted to oppose such measures as I believed to be vicious and to support such measures as I believed to be right, and I got in very bad odor with the representatives of railroad companies engaged in that work, because as to the two great pieces of legislation much controverted before that legislature I took a position which every other railroad attorney opposed. The two leading bills were the bill to make a 2-cent fare law in Pennsylvania and an employer's liability law. I stated to the committee that not only would I not oppose the 2-cent law, but that I believed it ought to be enacted into law; and as to the liability law, it was introduced into that legislature by a gentleman who is now a Member of this House, Mr. CASEY, of Pennsylvania, and is known to-day on the statute books as the Casey employers' liability law, and out of all the numerous liability laws that were pending in that legislature I pronounced it to be the best and fairest, and gave it my support before the committee of the legislature. [Applause.] That was the extent of my activities at Harrisburg when retained by the Delaware, Lackawanna & Western Railroad Co.

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

Mr. PALMER. Yes.

Mr. MANN. The gentleman has stated that he went to Harrisburg primarily on a retainer for the railroad company to appear against certain bills.

Mr. PALMER. Such as I might deem bad.

Mr. MANN. The gentleman has spoken of two bills which he favored. I judge those were not the bills he was paid a retainer to oppose. Will he not tell us about the bills that he appeared and lobbied against or argued against?

Mr. PALMER. Oh, well, there were a number of them—

Mr. FARR. You bet there were.

Mr. MANN. I would say that was in performance of the retainer. I do not think the other was.

Mr. PALMER. I do not mind saying. For instance, somebody introduced a bill requiring the railroads of Pennsylvania to abolish every grade crossing within the State upon the enactment of the law. I opposed that measure. It would have ruined every railroad company in Pennsylvania as drawn. Another bill, a very common one—

Mr. BLACKMON. Will the gentleman yield?

Mr. PALMER. Yes.

Mr. BLACKMON. I want to ask the gentleman a question, and that is if he believes that it is a reflection on a Member of Congress or a member of any other body to represent a railroad?

Mr. PALMER. Well, I think a lawyer has a perfect right—

Mr. BLACKMON. And I want to ask one further question.

Mr. PALMER (continuing). To be retained by a railroad company.

Mr. BLACKMON. I want to ask one further question, and that is if the gentleman ever heard of a man in his life who was always making a fight against a lawyer holding public office and representing a railroad who was not a man with a hickory-nut head?

Mr. PALMER. Well, as far as my observation goes, I think the description is accurate. There were other bills of the same character. Mr. Speaker, as I have said, all of my district has always known that my office has represented that company. It has never sought to influence my political or congressional action in any way, shape, or manner, and it knows me well enough to understand that it dare not do so. [Applause.]

The intimation of the gentleman, the innuendo of the gentleman, is a scandalous abuse of the proprieties of this House. [Applause.] That railroad company runs through my district only about 35 miles; perhaps 40. It has in my district in its employ, I expect, not more than 100 men. Politically it knows that it must keep its hand off PALMER's fights in that district, and the only political connection I ever had with the railroad company or any of its officers—the only time I ever saw any officers go into a political canvass—was when its superintendent became a candidate for office in Lackawanna County—in the

county adjoining mine—upon the same ticket and at the same time the gentleman from Pennsylvania [Mr. FARR] was running for Congress, and I went into the district and did everything I could do to lick them both, and I am sorry I did not do it. [Applause on the Democratic side.]

The SPEAKER. The time of the gentleman has expired.

Mr. PALMER. Mr. Speaker, I would ask for five minutes more.

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

Mr. FARR. Mr. Speaker, reserving the right to object—

Mr. PALMER. That is how much the railroad controlled my political action.

Mr. FARR. Mr. Speaker, reserving the right to object, I want the gentleman from Pennsylvania to have all the time he wants—

Mr. PALMER. I will not take much.

Mr. FARR. But I would like to have a few minutes to reply.

The SPEAKER. Well, is the gentleman objecting or not?

Mr. FARR. No; I do not want to object.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to proceed for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. PALMER. Mr. Speaker, this little business will not take long. So much for the political phase of that question. I have found it necessary, as other men have, to go to the Legislature of Pennsylvania to prevent things being done which were wrong. I have done it openly. The Legislature of Pennsylvania has been for many years of such a character that it is necessary for reputable men of the State to go down there and prevent them from abusing their power. Why, the same legislature three or four years ago which killed an up-to-date child-labor law passed a law protecting the tadpoles of Pennsylvania, and the Republican Party has ever since had a keen regard for that class of tadpole statesmen. [Applause on the Democratic side.] And when I went to the Pennsylvania Legislature in open and public hearings to argue the cause of my client or my people I was representing them openly and frankly. I never went there to represent them or any like interest while I was drawing a salary out of the treasury of my State.

And when the Republican machine of Pennsylvania, finding its list of tadpole statesmen getting low, upon one occasion back in 1899, had to have somebody to preside over sessions of the house, it very properly picked my colleague from Pennsylvania [Mr. FARR] as its speaker. Mr. Speaker, that legislature and the succeeding ones were of such a character that the State rose in revolution and, a few years afterwards, despite the enormous Republican majority in the State, turned that party out of power and elected a Democrat to the State treasury, in order that he might put the Republican malefactors, who had been stealing the money of our State, in the penitentiary, where they belonged. My service has been open, public, and honest, Mr. Speaker, in behalf of my people. And I am sorry that I can not say as much for all who have been active in and before the Pennsylvania Legislature.

Now, Mr. Speaker, that kind of an attack on the part of the gentleman has been entirely uncalled for. This matter has been discussed in my district and in my State before, because he has made the charge before. And my people know that I am perfectly willing to let them judge that in my service here, as in my service in Pennsylvania, no corporation anywhere has controlled a single act of mine. But my service has been in behalf of those who are struggling for better conditions in a State where the great interests have denied those conditions. [Applause.]

Mr. FARR. Mr. Speaker, I ask unanimous consent to proceed for 8 or 10 minutes.

The SPEAKER. The gentleman from Pennsylvania [Mr. FARR] asks unanimous consent to proceed for 10 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. FARR. I think, Mr. Speaker, after hearing the defense of the gentleman from Pennsylvania [Mr. PALMER] that it is an admission of every charge that I made. He was in Harrisburg as the paid legal lobbyist of the corporations of Pennsylvania. That is what I said. As regards the Delaware, Lackawanna & Western, the gentleman ought to know how that came on the floor of the House. He was responsible for it. I have not attacked his honor or his integrity or the fact that he had no right to represent a corporation. I have attacked him because of his hypocrisy, his wicked demagoguery, in pretending to be one thing here, when he knows he is another in his own State. Why, Mr. Speaker, when that gentleman assailed the mine officials of the Delaware, Lackawanna & Western in

Luzerne County, he was attacking the officials of the Delaware, Lackawanna & Western who, in his own county were helping to elect him, as I then said.

Mr. PALMER. There are no mine officials in my county.

Mr. FARR. I said the Delaware, Lackawanna & Western officials.

Mr. PALMER. There are no Delaware, Lackawanna & Western officials in the district.

The SPEAKER. The gentleman from Pennsylvania [Mr. PALMER] must not interrupt the other gentleman from Pennsylvania [Mr. FARR] without his consent.

Mr. FARR. Mr. Speaker, I am amazed at the gall of the gentleman from Pennsylvania [Mr. PALMER]. Why, Mr. Speaker, he robbed you of two delegates in Luzerne because of his pretenses, his demagoguery, his hypocrisy. They were your delegates. The Democrats of that district were for you. The people of Pennsylvania wanted you. They wanted you in my district, and that gentleman, under the pretense of reform, went all over the great State of Pennsylvania, and in every way possible, honorably and dishonorably—

Mr. GARRETT of Tennessee. Mr. Speaker, I call the gentleman from Pennsylvania [Mr. FARR] to order, and the demand that the words be taken down.

The SPEAKER. The gentleman from Tennessee [Mr. GARRETT] calls the gentleman from Pennsylvania to order and requests that the words be taken down.

Mr. PALMER. Mr. Speaker, I have no objection to this kind of talk.

Mr. GARRETT of Tennessee. Mr. Speaker, it is not a matter to be determined by the gentleman from Pennsylvania [Mr. PALMER] as to what he desires in this matter.

The SPEAKER. The gentleman will suspend a moment. The gentleman from Pennsylvania [Mr. FARR] will take his seat until we get through with this business. Now the gentleman from Tennessee will proceed.

Mr. GARRETT of Tennessee. I call the gentleman from Pennsylvania [Mr. FARR] to order and demand that the words be taken down.

The SPEAKER. The Clerk will take them down and report them. What words are they that are excepted to by the gentleman from Tennessee?

Mr. GARRETT of Tennessee. The last two used by the gentleman.

The SPEAKER. The shorthand reporter will report them. The rule is:

If a Member is called to order for words spoken in debate, the Member calling him to order shall indicate the words excepted to, and they shall be taken down in writing at the Clerk's desk and read aloud to the House; but he shall not be held to answer nor be subject to the censure of the House therefor, if further debate or other business has intervened.

The Official Reporter will read the words.

The Official Reporter read as follows:

Mr. FARR. Mr. Speaker, I am amazed at the gall of the gentleman from Pennsylvania [Mr. PALMER]. Why, Mr. Speaker, he robbed you of two delegates in Luzerne because of his pretenses, his demagoguery, his hypocrisy. They were your delegates. The people of Pennsylvania wanted you. They wanted you in my district, and that gentleman, under the pretense of reform, went all over the great State of Pennsylvania, and he in every way possible, honorably and dishonorably—

Mr. GARRETT of Tennessee. Mr. Speaker, I move to strike those words from the Record.

Mr. HAMILTON of Michigan. Which ones?

The SPEAKER. The ones just read.

Mr. MANN. Mr. Speaker, I would like to be heard for a moment.

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

Mr. MANN. Mr. Speaker, both gentlemen, I think, have been out of order. The gentleman from Pennsylvania [Mr. PALMER] has certainly been out of order a dozen times this afternoon and this evening in the language which he used.

They are very quick on that side of the House to make charges against somebody else; very quick to call everybody else names, and then very quick to kick if somebody replies in kind.

The gentleman from Pennsylvania [Mr. FARR] ought not to have used the last word that was used. That is the only word that would be out of order. All the rest were strictly in order—all except the last word. But the gentleman from Pennsylvania [Mr. PALMER] but a moment ago referred to the gentleman from Pennsylvania [Mr. FARR] as "a tadpole statesman." That was strictly out of order. He has referred a dozen times to-day to other people out of order, and gentlemen on the other side have applauded those sentiments; and then they jump at once into the arena if somebody else has used a word out of order.

All debate ought to have been stopped when it began out of order. There has been no time when any of it was in order under the rules of the House, and there have been many words used in the debate which were wholly out of order. I think the gentlemen ought to have had their accession of virtue some time ago on that side of the House, while the debate was proceeding.

Mr. GARRETT of Tennessee. Mr. Speaker, it is entirely immaterial to me as to what the gentleman from Illinois [Mr. MANN] may think as to the proper time for the making of a proper motion. If the gentleman from Illinois regarded the remarks of the gentleman from Pennsylvania [Mr. PALMER] as out of order, he of course had his rights under the rules to make the point of order. I agree with the gentleman from Illinois in one thought, and that is that this bitter debate should be ended. I move, Mr. Speaker, to strike from the RECORD the word used by the gentleman from Pennsylvania [Mr. FARR].

Mr. FARR. Which word?

Mr. GARRETT of Tennessee. The word "dishonorably."

Mr. HAMILTON of Michigan. Mr. Speaker, I move to amend by striking out the words "or dishonorably."

Mr. BUTLER. There was only one word used to which you could take exception.

Mr. HAMILTON of Michigan. Mr. Speaker, I move to amend by striking out the words "or dishonorably."

Mr. GARRETT of Tennessee. I do not yield to the gentleman for the purpose of offering an amendment. I move to strike out those words read by the Official Reporter from the desk.

The SPEAKER. When the gentleman from Tennessee gets through the Chair will recognize the gentleman from Michigan [Mr. HAMILTON] to offer an amendment.

Mr. GARRETT of Tennessee. And upon that, Mr. Speaker, I move the previous question.

The SPEAKER. The gentleman from Tennessee moves to strike from the RECORD the words read by the Official Reporter, and on that he moves the previous question.

Mr. HAMILTON of Michigan. Mr. Speaker—

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

The SPEAKER. The gentleman from Pennsylvania [Mr. MOORE] makes the point of order that there is no quorum present. The Chair will count.

ADJOURNMENT.

Mr. UNDERWOOD. Mr. Speaker, I think probably the House will be in a better humor to decide this question in the morning, and it will not be as difficult to get a quorum. As I understand, the question will still be pending when the House meets in the morning if it adjourns now.

The SPEAKER. Yes. The gentleman from Alabama moves that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 25 minutes p. m.) the House adjourned, pursuant to the order previously made, until to-morrow, Friday, February 19, 1915, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. Letter from the assistant clerk of the Court of Claims, transmitting the findings of fact and conclusions of law in the French spoliation claims in relation to the vessel sloop *Ruby* (S. Doc. No. 948); to the Committee on Claims and ordered to be printed.

2. Letter from the Secretary of the Treasury, transmitting items of legislation to be incorporated in the general deficiency appropriation bill now pending in the Committee on Appropriations (H. Doc. No. 1610); to the Committee on Appropriations and ordered to be printed.

3. Letter from the Secretary of the Treasury, transmitting copy of communication from the Assistant Secretary of Commerce, reporting claim of the Central Railroad of New Jersey for damage to coal dock of said company at Port Liberty, N. J., on account of damages occasioned by collision for which a tender of the Lighthouse Service has been found responsible, which has been considered, adjusted, and determined (H. Doc. No. 1611); to the Committee on Appropriations and ordered to be printed.

4. Letter from the Secretary of the Navy, transmitting lists of papers, documents on the files of Navy Department not needed in the transaction of public business and have no permanent value or historical interest (H. Doc. No. 1612); to

the Committee on Disposition of Useless Executive Papers and ordered to be printed.

5. A letter from the Secretary of the Treasury, submitting an item of legislation for consideration and inclusion in the general deficiency bill now pending before the Committee on Appropriations (H. Doc. No. 1613); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. LOGUE, from the Committee on Public Buildings and Grounds, to which was referred the bill (H. R. 20243) to acquire a site and erect a building thereon for the use of the United States post office at Wildwood, N. J., reported the same with amendment, accompanied by a report (No. 1413), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. ASHBROOK, from the Committee on Public Buildings and Grounds, to which was referred the bill (H. R. 11299) to enlarge, extend, and make additions to, fireproof, and further improve the post-office building at Shenandoah, Iowa, reported the same with amendment, accompanied by a report (No. 1414), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. GUDGER, from the Committee on Public Buildings and Grounds, to which was referred the bill (H. R. 18505) to acquire by purchase, condemnation, or otherwise additional land for the Federal building at Manchester, N. H., and to construct an addition thereon, reported the same with amendment, accompanied by a report (No. 1415), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. CLARK of Florida, from the Committee on Public Buildings and Grounds, to which was referred the bill (H. R. 18402) to provide for the erection of a public building at Long Beach, Cal., reported the same with amendment, accompanied by a report (No. 1417), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. HAYDEN, from the Committee on the Public Lands, to which was referred the bill (H. R. 21377) to encourage the reclamation of certain arid lands in the State of Nevada, and for other purposes, reported the same with amendment, accompanied by a report (No. 1418), 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. STEDMAN: A bill (H. R. 21486) to establish a national military park at the battle field of Guilford Court House; to the Committee on Military Affairs.

By Mr. CARTER: A bill (H. R. 21487) providing for the continuance of the Joint Commission to Investigate Indian Affairs; to the Committee on Indian Affairs.

By Mr. STOUT: A bill (H. R. 21488) for the purchase of a site and the erection thereon of a public building at Havre, Mont.; to the Committee on Public Buildings and Grounds.

By Mr. FIELDS: A bill (H. R. 21489) authorizing the refunding to certain corporations and individuals part of amounts heretofore collected by the United States as a compromise of their delinquency; to the Committee on Ways and Means.

By Mr. RAKER: A bill (H. R. 21490) to encourage the reclamation of certain arid lands in the State of California, and for other purposes; to the Committee on the Public Lands.

By Mr. SHERLEY: A bill (H. R. 21491) making appropriations for fortifications and other works of defense, for the armament thereof, for the procurement of heavy ordnance for trial and service, and for other purposes; to the Committee of the Whole House on the state of the Union.

By Mr. CARAWAY: A bill (H. R. 21492) to amend an act entitled "An act to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of an act of Congress approved July 2, 1862, and of act supplementary thereto, and the United States Department of Agriculture"; to the Committee on Agriculture.

By Mr. McKELLAR: A bill (H. R. 21493) to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STEPHENS of Texas: Joint resolution (H. J. Res. 424) providing for the payment of the expenses of an expert and assistant in the fur-seal investigation in Alaska; to the Committee on Claims.

By Mr. HOBSON: Joint resolution (H. J. Res. 425) declaring the attitude of the United States toward the open-door policy in China; to the Committee on Foreign Affairs.

By Mr. SINNOTT: Joint resolution (H. J. Res. 426) providing that the Congress of the United States shall participate in the celebration of the opening of The Dalles-Celilo Canal; to the Committee on Rules.

By the SPEAKER (by request): Memorial of the Legislature of the State of Nevada, urging the passage of Senate bill 5042, entitled "A bill legalizing certain conveyances heretofore made by the Central Pacific Railroad Co. and others within the State of Nevada"; to the Committee on the Public Lands.

Also (by request), memorial of the second Legislature of the State of Arizona, for Congress to provide for the restoration and preservation of the ancient historic Spanish mission San Jose de Comacacori on the bank of the Santa Cruz River, in Santa Cruz County, Ariz.; to the Committee on the Library.

Also (by request), memorial of the Legislature of the State of Arizona, asking that Congress provide for and maintain a Government fish hatchery in the State of Arizona to stock the streams with food fishes; to the Committee on the Merchant Marine and Fisheries.

By Mr. HAYES: Memorial of the Legislature of the State of California, urging the passage of the Keating bill, relative to placing veterans of the United States Army who fought in Indian wars from 1865 to 1891 on the pension roll; to the Committee on Pensions.

By Mr. BOOHER: Memorial of the State Legislature of Nevada, favoring the passage of Senate bill 5042; to the Committee on the Public Lands.

By Mr. HAWLEY: Memorial of the Legislature of Oregon, urging Congress to authorize the Department of Agriculture to devise ways and means of destroying wild predatory animals in the State of Oregon; to the Committee on Agriculture.

By Mr. KETTNER: Memorial of the Legislature of the State of California, urging the passage of the Keating bill relative to placing veterans of the United States Army who fought in Indian wars from 1865 to 1891 on the pension roll; to the Committee on Pensions.

By Mr. SINNOTT: Memorial of the Oregon Legislature, favoring rural credits; to the Committee on Banking and Currency.

Also, memorial of Oregon Legislature, favoring an appropriation of \$300,000 for suppression of predatory wild animals; to the Committee on Appropriations.

Also, memorial of the Oregon Legislature, favoring pensions for veterans of Modoc Indian wars of 1872 and 1873 and Indian wars of 1878; to the Committee on Pensions.

Also, memorial of Oregon Legislature, concerning national navigation laws; to the Committee on the Merchant Marine and Fisheries.

Also, memorial of Oregon Legislature, concerning reorganization of national militia; to the Committee on Military Affairs.

Also, memorial of Oregon Legislature, concerning the building of roads; to the Committee on Agriculture.

Also, memorial of Oregon Legislature, concerning patenting of Carey Act segregations; to the Committee on the Public Lands.

Also, memorial of Oregon Legislature, relative to rabies-infected coyotes; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANTHONY: A bill (H. R. 21494) granting a pension to Martha Adams; to the Committee on Invalid Pensions.

By Mr. CARR: A bill (H. R. 21495) granting a pension to Catharine Cocain; to the Committee on Pensions.

By Mr. CONNELLY of Kansas: A bill (H. R. 21496) for the relief of Dr. E. V. Hallman; to the Committee on Claims.

By Mr. HAY: A bill (H. R. 21497) for the relief of the heirs of James Cloud, deceased; to the Committee on War Claims.

By Mr. KENNEDY of Connecticut: A bill (H. R. 21498) granting an increase of pension to Levi Jackson Richardson; to the Committee on Invalid Pensions.

By Mr. LANGLEY: A bill (H. R. 21499) granting a pension to James Chaffin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 21500) granting an increase of pension to George Martin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 21501) granting an increase of pension to James F. Anderson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 21502) granting an increase of pension to Elizabeth Combs; to the Committee on Invalid Pensions.

Also, a bill (H. R. 21503) granting an increase of pension to Joseph Dyer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 21504) for the relief of Henry C. Adams and others; to the Committee on War Claims.

By Mr. SLEMP: A bill (H. R. 21505) granting an increase of pension to Isaac Sloan; to the Committee on Invalid Pensions.

By Mr. SMITH of New York: A bill (H. R. 21506) for the relief of George Gillette; to the Committee on Military Affairs.

By Mr. VOLLMER: A bill (H. R. 21507) granting an increase of pension to Alfred R. Long; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Memorial of citizens of Valley Park, Mo., and American Neutrality League, favoring embargo on war materials; to the Committee on Foreign Affairs.

Also (by request), memorial of Chamber of Commerce of the United States, urging reconsideration of the Deitrick amendment to the Army appropriation bill; to the Committee on Military Affairs.

Also (by request), petition of various citizens of Warrenton, Mo., protesting against bill to amend the postal laws; to the Committee on the Post Office and Post Roads.

By Mr. ASHBROOK: Evidence to accompany House bill 21467, for the relief of Silenus A. Simons; to the Committee on Pensions.

Also, evidence to accompany House bill 21466, for the relief of Ellen Curtin; to the Committee on Invalid Pensions.

Also, memorial of German Beneficial Union, of Columbus, Ohio, favoring bills to prohibit export of war material; to the Committee on Foreign Affairs.

By Mr. BAILEY: Petition of Gustav Betterman, of Johnstown, Pa., favoring bills to prohibit export of war material; to the Committee on Foreign Affairs.

By Mr. BRODBECK: Petition of bakers of the twentieth congressional district of Pennsylvania, favoring an embargo on wheat; to the Committee on Foreign Affairs.

Also, petition of 31 bakers and grocers of York and Hanover, Pa., to prevent exportation of grain and foodstuffs, and request investigation as to cause of advance in price of grain; to the Committee on Foreign Affairs.

By Mr. BRYAN: Petition of citizens of Tacoma, Wash., favoring embargo on arms; to the Committee on Foreign Affairs.

By Mr. BURKE of Wisconsin: Petition of Charles W. Stauss and 42 other citizens of Glenbeulah, Sheboygan County, Wis., asking for the passage at this session of H. J. Res. 377, to levy an embargo on all contraband of war; to the Committee on Foreign Affairs.

Also, resolutions adopted by the American Neutrality League of Wisconsin at a mass meeting held at Milwaukee on February 11, 1915, asking for the passage of a law authorizing the President of the United States to levy an embargo on the exportation of arms and munitions to any of the belligerent nations; to the Committee on Foreign Affairs.

By Mr. COOPER: Petition of William Lindner and other residents of Kenosha, Wis., asking that legislation be enacted to place an embargo on the shipment of arms, etc., to the belligerent nations of Europe; to the Committee on Foreign Affairs.

Also, petition of E. K. Dupont and other citizens of Stockton, Cal., favoring embargo on arms; to the Committee on Foreign Affairs.

By Mr. CURRY: Petitions of citizens of Benicia, Martinez, Stockton, Lodi, Elk Grove, and Galt, all in the State of California, favoring House bill 5308, to tax mail-order houses; to the Committee on Ways and Means.

Also, petition of 92 citizens of Stockton, Cal., favoring embargo on arms; to the Committee on Foreign Affairs.

By Mr. DALE: Memorial of the board of directors of the Associated Employers of Indianapolis, in support of the militia pay bill; to the Committee on Military Affairs.

Also, petition of New York Stereotypers' Union, No. 1, protesting against President vetoing the immigration bill; to the Committee on Immigration and Naturalization.

By Mr. DAVENPORT: Petitions of the Catholic Church at Pawhuska, Okla., and Knights of Columbus, Council No. 952, of

Muskogee, Okla., favoring House bill 20644, to prohibit certain publications from the mails; to the Committee on the Post Office and Post Roads.

By Mr. ESCH: Memorial of the Associated Employers of Indianapolis, in support of the militia pay bill; to the Committee on Military Affairs.

Also, memorial of Sauk County (Wis.) Country Life Association, favoring present method of rural free delivery; to the Committee on the Post Office and Post Roads.

By Mr. GARDNER: Petition of Carpenters' Union No. 82, of Haverhill, Mass., relative to unemployment in the United States; to the Committee on Labor.

By Mr. GALLIVAN: Petition of St. James Council, No. 298, Knights of Columbus, relative to persecution of Catholics in Mexico; to the Committee on Foreign Affairs.

By Mr. HAY: Petition of citizens of Virginia, protesting against passage of H. R. 20644; to the Committee on the Post Office and Post Roads.

By Mr. HINEBAUGH: Petition of William E. Cadmus, of Chicago, Ill., protesting against tone of recent notes from the State Department to English and German foreign offices; to the Committee on Foreign Affairs.

By Mr. JACOWAY: Protest of citizens of Perryville, Ark., against Fitzgerald amendment to Post Office appropriation bill relative to freedom of press; to the Committee on the Post Office and Post Roads.

By Mr. KELLY of Pennsylvania: Petition of citizens of Coraopolis, Pa., protesting against bill to amend the postal law; to the Committee on the Post Office and Post Roads.

By Mr. KENNEDY of Connecticut: Petition from the members of the Lutheran St. Paul's Church, Beethoven Lodge, German-American Alliance, Torrington Lodge No. 462, D. O. H., all of Torrington, Conn., to prohibit the sale and export of arms; to the Committee on Foreign Affairs.

Also, petition of John H. Rosenbeck and 60 others, of Torrington, Conn., favoring bills to prohibit export of war material; to the Committee on Foreign Affairs.

By Mr. LEWIS of Maryland: Petition of Rev. L. D. Zimmerman and others, of Accident, Md., favoring an embargo on war material; to the Committee on Foreign Affairs.

By Mr. LONERGAN: Petitions of St. Joseph German Society, Bristol, and Deutscher Radfahrer Club Eichenlaub, of New Britain, Conn., protesting against export of war material; to the Committee on Foreign Affairs.

By Mr. MAGUIRE of Nebraska: Petition of citizens of Nebraska, favoring embargo on arms; to the Committee on Foreign Affairs.

By Mr. MURDOCK: Petition of Socialist Party of Wichita, Kans., favoring legislation to meet the problem of the unemployed; to the Committee on Labor.

By Mr. RAKER: Memorial of board of directors, Associated Employers of Indianapolis, in support of militia pay bill; to the Committee on Military Affairs.

By Mr. REILLY of Connecticut: Petition of Mrs. M. J. Schroeder, 717 York Street, St. Paul, Minn., favoring exclusion of certain periodicals from the mails; to the Committee on the Post Office and Post Roads.

Also, petition of Harmonia Lodge, O. D. H. S., of Meriden, Conn., favoring embargo on arms; to the Committee on Foreign Affairs.

By Mr. SCULLY: Petition of New Jersey Turn Bezirk, of Hoboken, N. J., relative to the neutrality of the United States; to the Committee on Foreign Affairs.

Also, petition of A. L. Ortman and Monmouth County Federation of Patriotic and Religious Fraternities, against the Fitzgerald amendment to the Post Office appropriation bill; to the Committee on the Post Office and Post Roads.

By Mr. SMITH of Idaho: Petitions of Chris Harrigfield and others, citizens of Squirrel; E. M. Frank and others, of American Falls; Theodore Goers and others, all of Idaho, protesting against export of war material; to the Committee on Foreign Affairs.

Also, petitions of Rev. W. M. Care and 17 citizens of Caldwell, and Rev. J. S. Colvin and 44 citizens of Hampa, all in the State of Idaho, protesting against employment of child labor; to the Committee on Labor.

By Mr. THOMPSON of Oklahoma: Petition of members of St. Joseph's Catholic Church, Norman, Okla., and of St. Joseph's Cathedral, Oklahoma City, Okla., relative to circulation of certain publications through the mails; to the Committee on the Post Office and Post Roads.

By Mr. VOLLMER: Petition of mass meeting of Bellevue, Iowa, against polygamy in the United States; to the Committee on the Judiciary.

SENATE.

FRIDAY, February 19, 1915.

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

Rev. George H. Williams, of Virginia, offered the following prayer:

Almighty God, our heavenly Father, we thank Thee that under such auspicious circumstances we are again permitted to meet in this place. We pray Thy presence and blessing upon us and upon the deliberations of this august body. We pray that Thy holy Spirit may lead us in the way of Thy commandments, and that Thou wilt help us to do Thy will and to serve Thee in our day and generation. Forgive us all our sins, guide us by Thy holy Spirit through the remainder of our life, and after this life receive us into the eternal life. We ask it for the sake of our Lord and Savior Jesus Christ. Amen.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

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

| | | | |
|-------------|----------------|--------------|------------|
| Ashurst | Gronna | Myers | Smith, Ga. |
| Bryan | Hitchcock | Nelson | Smoot |
| Burleigh | Hollis | Oliver | Sterling |
| Camden | Hughes | Overman | Stone |
| Catron | Johnson | Owen | Swanson |
| Chamberlain | Jones | Page | Thomas |
| Clapp | Kenyon | Perkins | Townsend |
| Clark, Wyo. | Kern | Pittman | Warren |
| Crawford | La Follette | Poindexter | Weeks |
| Culberson | Lane | Robinson | White |
| Dillingham | Lea, Tenn. | Root | Works |
| Fall | Lodge | Sheppard | |
| Fletcher | Martin, Va. | Simmons | |
| Gallinger | Martine, N. J. | Smith, Ariz. | |

Mr. KERN. I desire to announce the unavoidable absence of the Senator from Louisiana [Mr. THORNTON] on account of illness. This announcement may stand for the day.

The VICE PRESIDENT. Fifty-three Senators have answered to the roll call. There is a quorum present. The Secretary will read the Journal of the proceedings of the preceding session.

The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. OLIVER, and by unanimous consent, the further reading was dispensed with, and the Journal was approved.

The VICE PRESIDENT. If it can be disposed of without trouble now, the Chair would like to call attention to the fact that the Journal of January 29 has never been approved.

Mr. SMOOT. I will state that I have that matter now on my desk, and I think it will be but a day or two before it can be finally decided. I realize the importance of disposing of it.

The VICE PRESIDENT. The Chair does not want just now to start anything.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed a bill (H. R. 21161) making appropriations for the payment of invalid and other pensions of the United States for the fiscal year ending June 30, 1916, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED.

H. R. 21161. An act making appropriations for the payment of invalid and other pensions of the United States for the fiscal year ending June 30, 1916, and for other purposes, was read twice by its title and, on motion of Mr. SHIVELY, referred to the Committee on Pensions.

CREDENTIALS.

The VICE PRESIDENT presented the credentials of ELLISON D. SMITH, chosen by the electors of the State of South Carolina a Senator from that State for the term beginning March 4, 1915, which were referred to the Committee on Privileges and Elections.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented a joint resolution of the Legislature of South Dakota, urging Congress to use all honorable and lawful means to compel the Chicago, Milwaukee & St. Paul Railway Co. to construct a new bridge across the Missouri River at Chamberlain, S. Dak., which was referred to the Committee on Commerce.

He also presented a petition of the Associated Employers of Indianapolis, Ind., praying for the passage of the so-called