

Also, petition of Henry Dilger and 65 other citizens of the city of Indianapolis, Ind., urging upon Congress the enactment of legislation providing for the national ownership and Government operation of all railroads within the United States and its possessions necessary for the furnishing of transportation to the people of the United States, including all lands, terminals, and equipment required or desirable for successful operation; to the Committee on Interstate and Foreign Commerce.

Also, resolution of the Order of Railway Conductors of America, Monument Division, No. 598, praying for the enactment of legislation restricting immigration into the United States from foreign countries; to the Committee on Immigration and Naturalization.

By Mr. O'CONNELL: Petition of J. D. Williams (Inc.), Brooklyn, and Max Green & Co., manufacturing furriers, opposing tax on furs; to the Committee on Ways and Means.

Also, petition of National Association of Manufacturers, with reference to the United States Employment Service, opposing appropriation for Department of Labor Employment Service; to the Committee on Labor.

Also, petition of R. E. Swett, Richmond Hill; P. Martin, Brooklyn; A. E. Payson, New York; C. S. Hammond & Co., New York; the White Co., Cleveland, Ohio; W. Bianchi & Co.; H. C. Stieglitz, Brooklyn; Carter, Macy & Co. (Inc.); Globe & Rutgers Fire Insurance Co.; Freck, Loeser & Co., Brooklyn; Grevatt Bros. (Inc.); members of the Metropolitan Life Insurance Co., Brooklyn; H. R. Lathrop & Co. (Inc.); Standard Mail Order Co.; the Baker & Taylor Co.; M. J. Whittall; M. B. Snevily, president Oil Seeds Co.; Thomas P. Graham; F. G. Robertson; Fred W. Cohen; Metal & Thermit Corporation; George W. Baker; E. W. Durkee; Fred Fear & Co.; Campbell, Metzger & Jacobson; Columbia Graphophone Co.; and P. W. Lambert & Co., all of New York State; H. Jacquin & Co., A. V. Wahlberg, S. Williams, M. Phillips, M. McClure, E. Leap, Daniel Currie, A. Van Kilch, P. J. Dinan, Edward M. Hanley, V. W. Knutsen, Leo D. Fox, J. Megroz, Mack Wolf, Elbert Butts, J. A. Guillaume, H. T. Kramer, Phillippe Lambert, G. Megroz, and Leo C. Lucke, all of New York, protesting against the repeal of the daylight-saving law; to the Committee on Agriculture.

By Mr. RANDALL of California: Petition of Chamber of Commerce and citizens of Long Beach, Calif., against repeal of daylight-saving law; to the Committee on Agriculture.

Also, petition of Southern California Wholesale Grocers' Association and 40 manufacturers of southern California, against restriction of power of Interstate Commerce Commission relating to long and short haul rates; to the Committee on Interstate and Foreign Commerce.

Also, petitions of New Century Club, of Pasadena; First Friends Church, of Long Beach; Bible Institute of Christian Workers, Los Angeles; Memorial Baptist Sunday School, South Pasadena; State convention of California Women's Christian Temperance Union in session at Santa Ana; Methodist Congregation Sunday School and Epworth League, of La Verne; Lake Avenue Congregational Church and Sunday School, Pasadena; Covina Methodist Church, Covina; Interchurch Committee, La Verne; Long Beach Quoit Club and Ladies' Good Luck Club, Long Beach, all of California, against repeal of war prohibition; to the Committee on Agriculture.

By Mr. RAKER: Petition of Placer-Nevada Counties' Christian Endeavor Union, urging the adoption of the league of nations plan, submitted by Una G. Price, president, Grass Valley, Calif.; to the Committee on Foreign Affairs.

Also, petition of board of trustees of the city of Glendale, Calif., urging the enactment of proper legislation reverting to private ownership the telephone lines and systems which were taken over by the Government during the war; to the Committee on Interstate and Foreign Commerce.

Also, petition of United States Chamber of Commerce of the United States of America, against the repeal of the daylight-saving system; to the Committee on Agriculture.

Also, petition of Protestant Ministers' Association of San Francisco, Calif., against the lifting of the ban on beer and wine; to the Committee on Agriculture.

Also, petition of Bonham & Gillette, Red Bluff, Calif., asking the removal of the excise tax on automobiles, etc.; to the Committee on Ways and Means.

Also, petition or memorial of Methodist Episcopal Church of Dunsmuir, Calif., against the lifting of the ban on beer and wine; to the Committee on Agriculture.

Also, petition of certain citizens of Gazelle, Calif., protesting against the lifting of the ban on beer and wine; to the Committee on Agriculture.

Also, telegram by Eugene S. Elkus, president; G. W. Brainard, secretary, Board of Trade, San Francisco, Calif., relative

to the effort being made to deprive the Interstate Commerce Commission of its present power to authorize departures from long and short haul clause; to the Committee on Interstate and Foreign Commerce.

Also, petition of Pacific coast section of National Electric Light Association, protesting against the establishment of a standard of ethics by the Bureau of Standards, by H. F. Jackson, president, Sierra & San Francisco Power Co., San Francisco, Calif.; to the Committee on Interstate and Foreign Commerce.

Also, petition of St. Helena Chamber of Commerce, urging the repeal of the war-time prohibition measure; to the Committee on the Judiciary.

Also, petition of J. C. Hunter et al., of Bismarck, Mo., protesting against the repeal of the war-time prohibition act; to the Committee on the Judiciary.

By Mr. SWEET: Petition of citizens of Wright County, Iowa, relative to the repeal of the daylight-saving law; to the Committee on Agriculture.

By Mr. YOUNG of North Dakota: Resolutions adopted by the faculty council of University of North Dakota; Forestry State Normal School, Bottineau; faculty of State Normal School, Valley City; and the Study Club of Fargo, N. Dak., favoring a league of nations; to the Committee on Foreign Affairs.

Also, petition of Commercial Club of Bottineau, N. Dak., favoring bill 15400 for the creation of a Department of Education; to the Committee on Education.

HOUSE OF REPRESENTATIVES.

SATURDAY, May 31, 1919.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We bless Thee our Father in Heaven for the splendid demonstrations on the floor of this House yesterday and throughout the length and breadth of our land in memory of the American soldier, living and dead, who fought for his country and for humanity in all the wars of the past.

Teach us, we pray Thee, the value of patriotism, not only in war but in peace, that right and truth and justice may live and make the world pure and strong and a safe place for the home, industry, and our religious convictions. To the glory and honor of Thy holy name, in Christ Jesus our Lord. Amen.

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

WITHDRAWAL OF PAPERS.

Mr. DUPRÉ, by unanimous consent, was granted leave to withdraw from the files of the House, without leaving copies, the papers in the case of Widow Emma Golden (H. R. 12263, 2d sess., 65th Cong.), no adverse report having been made thereon.

LEAVE TO SIT DURING SESSIONS.

Mr. JOHNSON of Washington. Mr. Speaker, by direction of the Committee on Immigration and Naturalization, I ask unanimous consent for permission to that committee to sit during the sessions of Congress.

The SPEAKER. The gentleman from Washington [Mr. JOHNSON], chairman of the Committee on Immigration and Naturalization, asks unanimous consent that that committee have permission to sit during the sessions of Congress. Is there objection? [After a pause.] The Chair hears none.

LATE REPRESENTATIVE JOHN L. BURNETT.

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent to place in the Record a brief resolution of the Committee on Immigration and Naturalization on the death of its late chairman, the Hon. JOHN L. BURNETT, who was also a Member of this Congress.

The SPEAKER. The gentleman from Washington asks unanimous consent to insert in the Record a brief resolution of the Committee on Immigration and Naturalization on the death of the Hon. JOHN L. BURNETT, late chairman of that committee. Is there objection? [After a pause.] The Chair hears none.

The following is the resolution referred to:

Resolved, That the Committee on Immigration and Naturalization of the House of Representatives of the United States of America has learned with deep regret of the death of Hon. JOHN L. BURNETT, late chairman of this committee.

Appreciating his sterling worth and honoring him for his loyal and whole-hearted service to the people of the United States, the members of this committee desire to extend to his widow and his family their sincere expressions of sympathy: It is therefore

Ordered, That the clerk be directed to enter a copy of these resolutions on the committee minutes, to present a copy to the House of Representatives for the CONGRESSIONAL RECORD, and to transmit copies to Mrs. John L. Burnett and Mr. P. W. Barnett, of Gadsden, Ala.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed with amendments the bill (H. R. 1200) making appropriations for certain expenses incident to the first session of the Sixty-sixth Congress, and for other purposes, in which the concurrence of the House of Representatives was requested.

PRESIDENT WILSON'S MEMORIAL DAY ADDRESS.

Mr. CLARK of Missouri. Mr. Speaker, I ask unanimous consent to have printed in the Record the Memorial Day speech made by the President of the United States in France yesterday.

The SPEAKER. The gentleman from Missouri asks unanimous consent to print in the Record the speech delivered yesterday by the President of the United States. Is there objection? [After a pause.] The Chair hears none.

B. F. ESTOPINAL.

Mr. IRELAND. Mr. Speaker, I ask for consideration of the privileged resolution which I send to the Clerk's desk.

The SPEAKER. The gentleman from Illinois, from the Committee on Accounts, offers a privileged resolution, which the Clerk will report.

The Clerk read as follows:

House resolution 56.

Resolved, That the Clerk of the House of Representatives be, and he is hereby, authorized and directed to pay out of the contingent fund of the House to B. F. Estopinal, clerk to the late Hon. Albert Estopinal, a Representative in Congress from Louisiana at the time of his death, April 28, 1919, the sum of \$166.66, being an amount equal to one month's salary of a clerk of a Representative in Congress.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

APPROPRIATIONS FOR MILEAGE, STATIONERY, ETC.

Mr. GOOD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 1200 and ask for the immediate consideration of the same.

The SPEAKER. Will the gentleman state the character of the bill for the information of the House?

Mr. GOOD. The Senate has passed the bill with regard to mileage and stationery allowance, and with provision for the pages, as reported by the House, with two amendments. That bill as it passed the House made the mileage that had been appropriated for in the legislative bill for the regular session of Congress available for this special session of Congress. The Senate adopted the suggestion that was made on the floor of the House by the gentleman from Texas [Mr. GARNER], and struck out that provision, and made a direct appropriation for the mileage of this session, thereby obviating the necessity of making a new appropriation for the same purpose for the next regular session. They have also added the stationery allowance for Senators and the regular allowance for pages and other employees in the Senate. If this consent is given, I expect to move to concur in the Senate amendments.

The CHAIRMAN. The gentleman from Iowa [Mr. Good], chairman of the Committee on Appropriations, asks unanimous consent that there be taken from the Speaker's table the bill H. R. 1200, with Senate amendments thereto, and that the same be immediately considered. Is there objection?

Mr. LONGWORTH. Is that the bill that has just been messaged over?

Mr. GOOD. It is.

The SPEAKER. Is there objection to the request? [After a pause.] The Chair hears none. This bill is on the Union Calendar.

Mr. GOOD. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER. The gentleman from Iowa asks unanimous consent that the bill be considered in the House as in the Committee of the Whole. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

An act (H. R. 1200) making appropriations for certain expenses incident to the first session of the Sixty-sixth Congress, and for other purposes.

The Senate amendments were read.

Mr. GOOD. Mr. Speaker, I move to concur in the Senate amendments.

The motion was agreed to.

REFERENCE OF A BILL.

Mr. DYER. Mr. Speaker, I ask unanimous consent to have a bill transferred from the Committee on Public Buildings and Grounds to the Committee on Military Affairs. It is a bill, Mr. Speaker, that has only one purpose, and that is to increase the pay of officers in the Army. The reference was clearly a mistake, and it should go to the Military Committee.

Mr. MONDELL. Mr. Speaker—

Mr. CLARK of Missouri. Mr. Speaker, I could not hear the gentleman.

Mr. MONDELL. Mr. Speaker—

Mr. DYER. Mr. Speaker, I will say to my colleague from Missouri [Mr. CLARK] that I ask unanimous consent to have referred a bill that was introduced by me for increasing the pay of officers in the Army. It was referred incorrectly to the Committee on Public Buildings and Grounds. I ask that it go to the Committee on Military Affairs, which has sole jurisdiction of the subject.

The SPEAKER. Is there objection?

Mr. GARNER. Reserving the right to object, Mr. Speaker—

Mr. MONDELL. Mr. Speaker, reserving the right to object—

Mr. GARNER. Has the gentleman consulted the chairman of each one of these committees?

Mr. DYER. I have consulted the chairman of the Committee on Public Buildings and Grounds, and he, of course, says it should go to the Committee on Military Affairs. The same bill was presented in the House in the last Congress and went to the Committee on Military Affairs.

Mr. GARNER. That meets with the approval of each one of these committees?

Mr. DYER. Oh, yes.

Mr. LANGLEY. Mr. Speaker, I will say that it should have gone to the Committee on Military Affairs.

Mr. MONDELL. Mr. Speaker, I gave notice the other day that it seemed to me that it would be conducive to the orderly dispatch of business if gentlemen in position of some responsibility on this side, and the gentleman from Missouri [Mr. CLARK], responsible on his side, were informed in advance in regard to these requests. I think that was a reasonable suggestion, and I believe that it is a suggestion that should be followed for the protection of the House. If this matter were tremendously important, I would not object; but in view of the statement I made the other day, I feel that at this time I must object.

The SPEAKER. The gentleman from Wyoming objects.

Mr. DYER. Mr. Speaker, if it were a matter of any great importance, I would have consulted the distinguished leader of the House; but it is a very simple matter, involving nothing except that a little bill, which has nothing on earth to do with the Committee on Public Buildings and Grounds, but is a purely military matter, should go to the Committee on Military Affairs. Therefore, Mr. Speaker, I move that the bill be referred to the Committee on Military Affairs.

The SPEAKER. The gentleman from Missouri [Mr. Dyer] moves that the bill be rereferred to the Committee on Military Affairs.

Mr. MONDELL. Mr. Speaker, I make the point of order that that motion is not in order at this time. Other business has intervened, and the gentleman has not stated that he has authority from his committee for making the motion.

Mr. DYER. That is not necessary.

The SPEAKER. The motion of the gentleman from Missouri was in order, of course, immediately after the approval of the Journal; but other business has intervened, and an appropriation bill has been taken up, and the Chair thinks that the point of order is well taken.

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

The SPEAKER. The gentleman from Missouri makes the point of order that there is no quorum present. Obviously there is not.

CALL OF THE HOUSE.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

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:

Andrews, Md.	Browning	Campbell, Kans.	Cole
Babka	Brumbaugh	Carew	Cooper
Bacharach	Burdick	Casey	Copley
Benson	Burke	Chidblom	Costello
Bowers	Butler	Clary	Crowther
Brooks, Pa.	Caldwell	Coady	Cullen

Curry, Cal.	Howard	McPherson	Sabath
Dale	Huddleston	MacGregor	Sanford
Davey	Hulings	Maher	Saunders, Va.
Dempsey	Humphreys	Mann	Schall
Dewalt	Husted	Mead	Scully
Donovan	Hutchinson	Michener	Sherwood
Dooling	James	Mooney	Shreve
Doremus	Johnston, N. Y.	Morin	Siegel
Doughton	Jones, Pa.	Murphy	Siemp
Eagan	Kearns	Neely	Small
Edmonds	Kelley, Mich.	Newton, Minn.	Smith, N. Y.
Ellsworth	Kelly, Pa.	Newton, Mo.	Snyder
Emerson	Kennedy, R. I.	O'Connell	Steele
Fisher	Kettner	Olney	Steenerson
Fitzgerald	Klecza	Osborne	Stephens, Miss.
Flood	Kreider	Padgett	Stevenson
Focht	LaGuardia	Paige	Sullivan
Fuller, Mass.	Larsen	Pell	Temple
Gallivan	Lee, Ga.	Peters	Thompson, Ohio
Ganly	Leshar	Phelan	Tilson
Garland	Linthicum	Porter	Upshaw
Glynn	Little	Pou	Vare
Goldfogle	Loneragan	Quin	Venable
Goodwin, Ark.	Luce	Radcliffe	Voigt
Graham, Pa.	Lufkin	Ragsdale	Ward
Greene, Mass.	Luhring	Rainey, J. W.	Watson, Pa.
Griest	McClintic	Ramsey	Welty
Griffin	McFadden	Reed, W. Va.	Wilson, Pa.
Hamill	McGlennon	Riordan	Winslow
Hicks	McKiniry	Robinson, N. C.	Zihman
Hill	McKinley	Rowan	
Holland	McLane	Rowe	

The SPEAKER. Two hundred and seventy-eight Members have responded to their names. A quorum is present. The Doorkeeper will open the doors.

Mr. MONDELL. Mr. Speaker, I move that further proceedings under the call be dispensed with.

The SPEAKER. The gentleman from Wyoming moves that further proceedings under the call be dispensed with. The question is on agreeing to that motion.

The motion was agreed to.

REPEAL OF LUXURY TAXES.

Mr. HAUGEN. Mr. Speaker, I understand that the Committee on Ways and Means has a very urgent measure that it is desirous of bringing up in the House immediately. In view of that fact I yield to the gentleman from Michigan [Mr. FORDNEY].

Mr. FORDNEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2021) to repeal section 904 of the revenue act of 1918, approved February 24, 1919.

Mr. GREENE of Vermont. Mr. Speaker, may we have it reported?

The SPEAKER. The gentleman from Vermont asks that the bill be reported. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 2021) to repeal section 904 of the revenue act of 1918, approved February 24, 1919.

Be it enacted, etc., That section 904 of the revenue act of 1918, approved February 24, 1919, be, and the same is hereby, repealed.

Mr. GREENE of Vermont. That is sufficient. It is notification that this bill relates to the luxury tax?

Mr. FORDNEY. Yes.

Mr. SNELL rose.

The SPEAKER. For what purpose does the gentleman from New York rise?

Mr. SNELL. To ask a question of the chairman of the Committee on Ways and Means. I would like to ask the gentleman from Michigan how long the consideration of this bill will take, and whether it is the intention to proceed with the Agricultural appropriation bill when this bill is finished this afternoon?

Mr. FORDNEY. I do not know what the procedure will be after the passage of this bill, but I think it will take but a very short time to pass this bill.

Mr. CANNON. I do not think anybody can prophesy about that until we find out what it is.

The SPEAKER. The question is on the motion of the gentleman from Michigan [Mr. FORDNEY] that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 2021.

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

The SPEAKER. The gentleman from Massachusetts [Mr. WALSH] will take the chair. [Applause.]

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2021) to repeal section 904 of the revenue act of 1918, approved February 24, 1919, with Mr. WALSH in the chair.

Mr. WALSH took the chair amid general applause.

The CHAIRMAN. The House is in Committee of the Whole for the consideration of H. R. 2021, which the Clerk will report by title.

The Clerk read the title of the bill.

Mr. CANNON. Mr. Chairman, I should like to have the report read.

The CHAIRMAN. The gentleman from Illinois asks that the report be read. The Clerk will read it.

The Clerk read as follows:

The Committee on Ways and Means, to whom was referred H. R. 2021, to repeal section 904 of the revenue act of 1918, approved February 24, 1919, having had the same under consideration, report it back to the House without amendment and recommend that the bill do pass.

On February 28, 1919, the Committee on Ways and Means favorably reported a resolution to repeal section 904 of the revenue act approved February 24, 1919, and the following is quoted from the report submitted by Mr. KITCHIN at that time:

"The purpose of section 904 was to encourage thrift and economy and to prevent extravagance, as well as to provide revenue. It was understood that these consumption taxes were levied as war taxes only. This was a proper tax in time of war, but your committee believes that in time of peace it can not justify the placing of the burden (1) on the retailers of the country of keeping the necessary additional accounting system to collect the tax from the taxable sales in order to properly return the tax collected to the Government; or (2) such a heavy tax upon the consumer.

Your committee is unanimous in recommending the passage of this resolution.

Section 904 of the revenue act of 1918 reads as follows:

"Sec. 904. (a) That on and after May 1, 1919, there shall be levied, assessed, collected, and paid a tax equivalent to 10 per cent of so much of the amount paid for any of the following articles as is in excess of the price hereinafter specified as to each such article, when such article is sold by or for a dealer or his estate on or after such date for consumption or use—

"(1) Carpets and rugs, including fiber, except imported and American rugs made principally of wool, on the amount in excess of \$5 per square yard;

"(2) Picture frames, on the amount in excess of \$10 each;

"(3) Trunks, on the amount in excess of \$50 each;

"(4) Valises, traveling bags, suit cases, hatboxes used by travelers, and fitted toilet cases, on the amount in excess of \$25 each;

"(5) Purses, pocketbooks, shopping and hand bags, on the amount in excess of \$7.50 each;

"(6) Portable lighting fixtures, including lamps of all kinds and lamp shades, on the amount in excess of \$25 each;

"(7) Umbrellas, parasols, and sun shades, on the amount in excess of \$4 each;

"(8) Fans, on the amount in excess of \$1 each;

"(9) House or smoking coats or jackets, and bath or lounging robes, on the amount in excess of \$7.50 each;

"(10) Men's waistcoats, sold separately from suits, on the amount in excess of \$5 each;

"(11) Women's and misses' hats, bonnets, and hoods, on the amount in excess of \$15 each;

"(12) Men's and boys' hats, on the amount in excess of \$5 each;

"(13) Men's and boys' caps, on the amount in excess of \$2 each;

"(14) Men's, women's, misses', and boys' boots, shoes, pumps, and slippers, not including shoes or appliances made to order for any person having a crippled or deformed foot or ankle, on the amount in excess of \$10 per pair;

"(15) Men's and boys' neckties and neckwear, on the amount in excess of \$2 each;

"(16) Men's and boys' silk stockings or hose, on the amount in excess of \$1 per pair;

"(17) Women's and misses' silk stockings or hose, on the amount in excess of \$2 per pair;

"(18) Men's shirts, on the amount in excess of \$3 each;

"(19) Men's, women's, misses', and boys' pajamas, nightgowns, and underwear, on the amount in excess of \$5 each; and

"(20) Kimonos, petticoats, and waists, on the amount in excess of \$15 each.

(b) The tax imposed by this section shall not apply (1) to any article enumerated in paragraphs (2) to (8), both inclusive, of subdivision (a), if such article is made of, or ornamented, mounted, or fitted with, precious metals or imitations thereof or ivory, or (2) to any article made of fur on the hide or pelt or of which any such fur is the component material of chief value, or to (3) any article enumerated in subdivision (17) or (18) of section 900.

(c) The taxes imposed by this section shall be paid by the purchaser to the vendor at the time of the sale and shall be collected, returned, and paid to the United States by such vendor in the same manner as provided in section 502."

Mr. FORDNEY. Mr. Chairman and gentlemen, this matter of the repeal of section 904 of the new revenue act was considered by the conference committee at the time the revenue bill was before that committee last winter. The conference committee had no jurisdiction over this section to strike it out, both Houses having agreed to it; but by unanimous vote of the members of the conference committee it was agreed that a special bill would be introduced looking to the repeal of this particular section. Bills were introduced in the House for the repeal of this section of the law at the last session of Congress, but owing to the lateness in the session they failed to pass. The Committee on Ways and Means therefore at a meeting last week took up the consideration of the repeal of several of the sections of the new revenue law which relates to consumption or so-called luxury taxes. The consideration of the matter of the repeal of other sections or parts of sections of the bill was deferred, awaiting further information from the Commissioner of Internal Revenue and the Secretary of the Treasury. Therefore the committee, by unanimous vote, all members being present, ordered a favorable report of this bill for the repeal of section 904.

Mr. CANDLER. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. CANDLER. This is the same identical bill that was passed by the House just before the adjournment of the last session of Congress, but failed to pass in the Senate?

Mr. FORDNEY. Yes. This bill, if enacted into law, will repeal, according to estimates made by the Treasury Department, an amount of revenue estimated to be \$85,000,000. My candid opinion is that the tax provided for in section 904 would yield more than \$100,000,000. I think it will go above the estimate.

A bill has been introduced also—introduced by myself—looking to the repeal of section 630 of the new revenue law, which relates to the tax on soft drinks and ice cream. According to the estimates, if that section of the law is repealed, it will repeal \$21,000,000 of taxes in addition to those accounted for by this section.

Many requests have come from every quarter requesting the repeal of other sections of the so-called luxury or consumption taxes. Among others is a request from the dealers of the country for the repeal on the tax on automobiles. If that provision of the law is repealed, it will cancel some \$90,000,000 or \$100,000,000 more of those taxes.

The total amount of taxes that will be collected during the coming fiscal year, as estimated by the Treasury Department under the so-called luxury or consumption taxes, is in round numbers \$350,000,000. Therefore this bill, as I have said, will repeal from \$85,000,000 to \$100,000,000 of those taxes.

I do not know that I care to make any further statement unless some gentleman wishes some information, which I will be glad to give if possible.

Mr. LONGWORTH. Will the gentleman yield?

Mr. FORDNEY. I yield to the gentleman from Ohio.

Mr. LONGWORTH. The estimate made at the last session of Congress certainly was that the automobile tax would raise \$125,000,000.

Mr. FORDNEY. Yes; but that estimate is reduced by the Treasury Department now to \$90,000,000.

Mr. LONGWORTH. That has been reduced, has it?

Mr. FORDNEY. Yes. But I will say to the gentleman that it is my opinion that it will yield far more than \$90,000,000, because at the time those estimates were made there were not as many automobiles being made as are now being made. I made an inquiry recently of several of the principal automobile dealers about the delivery of a car, some of the kind in quite common use, and I found that it is almost impossible now to get the delivery of an automobile short of two or three months, if it were ordered now. There is a very great demand in the country for automobiles. The factories are running full blast, as fully as they can find labor anyway, and therefore I believe the amount of the tax to be collected by the Government on automobiles, if this provision of the law is not repealed, will far exceed \$100,000,000 this coming year.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. FORDNEY. I yield to my colleague.

Mr. SMITH of Michigan. I should like to inquire whether or not this bill will repeal the so-called luxury tax on jewelry?

Mr. FORDNEY. No; jewelry is not included in this section of the law.

Mr. SMITH of Michigan. I have received a great many letters from merchants asking for the repeal of this tax. I see that it is paid wholly by the consumer, but I do not recall receiving a letter from a consumer asking that this tax be repealed. I should like to inquire whether consumers are asking for the repeal of this tax.

Mr. FORDNEY. The information that has come to me comes largely from dealers, although I have had many requests from consumers.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. FORDNEY. I yield to the gentleman from Iowa.

Mr. GREEN of Iowa. The statement that the gentleman has made would indicate that the automobile business has not suffered very severely by reason of this tax.

Mr. FORDNEY. No. I saw a bill for the sale of an automobile the other day to the purchaser, and it was made out giving the price of the automobile and some extras, for extra tires, that in addition thereto the Government tax, stating the exact amount, and then giving the total to be paid by the purchaser of the automobile. Therefore I believe that in all cases the tax is added to the price which the purchaser or consumer pays, and the purchaser or consumer pays it.

Mr. GARRETT. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. GARRETT. Did the committee consider the question of fixing a specific date ahead upon which this law should take effect?

Mr. FORDNEY. No.

Mr. GARRETT. I have seen the statement—I do not know how accurate it is—that unless something of that sort be done a considerable expense and a great deal of annoyance will be caused to the Government on account of having to return taxes that will be collected between the date of the passage of this act and the time of notifying them to stop taxing.

Mr. FORDNEY. I will say that I had some talk with Government officials about that. It was their opinion, and it is my opinion, that if the bill takes effect immediately on its passage every merchant in the country will report the amount of taxes collected from the date that the law took effect and the date of its repeal, and therefore there will be no burden on the Government to separate the taxes from the nontaxing period.

Mr. GARRETT. The point I understood that was made was that there would be a great many who would not have notice of the passage of the act and would continue to collect the tax, and hence it would be necessary for the Government to return all that might be collected after the signing of the act.

Mr. FORDNEY. It might be well to fix a special date; but I hardly think so. I think the Government would give notice through the press, so that everybody collecting the tax would know immediately. If the bill passes the House, as I believe it will, and then immediately is passed by the Senate without amendment, it will be notice to the country that the signing of the bill by the President, wherever he may be found, will be the date of the cancellation of these taxes.

Mr. PLATT. Will the gentleman yield?

Mr. FORDNEY. Certainly.

Mr. PLATT. Does the gentleman think it good policy at this time to repeal a tax which is going to yield \$100,000,000, and a luxury tax at that?

Mr. FORDNEY. Let me say to the gentleman, in answer to his question, I have been and am now opposed to putting upon the people a consumption tax. I have opposed it and did when the committee was preparing these hearings on the bill. I do not believe in consumption taxes so long as we can raise the necessary money to meet the running expenses of the Government in some other way less burdensome to the people. The consumption tax in every instance must and will be paid by the consumer. Now, there is a possibility of raising the necessary funds to carry on the running expenses of the Government by collecting money in some other way that would be less burdensome on the poor people.

Mr. PLATT. The gentleman will not contend that this is burdensome on the poor people.

Mr. FORDNEY. It is very burdensome on the poor people, because boots and shoes are worn by the poor as well as the rich, and the price that the poor man pays for a pair of shoes to-day is far in excess of the limitation set out in the law. Not only that, but in many other articles of wearing apparel. Prices are high to-day, whatever the cause may be. Conditions all over the world are abnormal as to the cost of living and everything that pertains to food and clothing. There are many articles covered by this section of the law used by the poor people. I believe the tax would be less burdensome to the people of this country if imposed on people that have large incomes instead of upon those whose incomes are meager.

Mr. PLATT. Does the gentleman mean to say that the poor man pays more than \$10 for a pair of shoes?

Mr. FORDNEY. I do.

Mr. PLATT. I do not pay that.

Mr. FORDNEY. I am a poor man, and I pay more than \$10 for shoes.

Mr. PLATT. It is not necessary; the gentleman can get the shoes cheaper if he wants to.

Mr. FORDNEY. If I wanted to buy a pair of stogies I probably could buy them for less than \$10, but such a pair as the gentleman wears and I wear costs more than that.

Mr. PLATT. I get a pair for \$7.

Mr. FORDNEY. I pay more than \$10 for shoes.

Mr. DYER. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. DYER. Is it not a fact that practically all sections of the country are in favor of the repeal of this law?

Mr. FORDNEY. I speak for myself; I have received but a single letter asking the Ways and Means Committee not to repeal this section of the law.

Mr. DYER. The committee was unanimously in favor of the repeal of the section?

Mr. FORDNEY. Yes.

Mr. DYER. Has the gentleman's committee given consideration to the repealing of the taxes on other matters?

Mr. FORDNEY. Yes; the committee did take up and discuss the repeal of other sections of the law, but deferred action, wait-

ing to receive information from the Treasury Department, as requested by them.

Now, let me say further to the gentleman. I want to say to the gentleman that in reporting this section of the law and as to these taxes imposed by the various sections of the law this must be borne in mind: No matter who is responsible for it, what the cause or occasion may be, this situation faces the Congress of the United States. The expenses of the Government for the coming fiscal year are going to be in excess of the revenue collected by the Government somewhere from one to two billion dollars.

The question is, Where are we going to get that money? The duty devolves upon Congress to raise that money to meet the expenditures already contracted for and expenditures that can not be relieved before the end of the next fiscal year. The Army and the Navy are still costing us a large sum of money. I do not see any good reason why our soldiers who are in this country should not be more promptly discharged. Every man now held by the Government in the Army and the Navy in this country in excess of the ordinary size of the Army and the Navy in normal times is a burden upon the taxpayer, and a great burden. The taxes are millions of dollars per day, caused by the slowness of the Army and Navy Departments in discharging men from the service who ought to be discharged. That is my opinion, at least. I may be wrong about that; but those expenses are going on from day to day, and they are enormous, and where in the world we are going to get from six to eight billion dollars of taxes this coming year is a quandary. It is a matter of very serious consideration for the Congress of the United States, and in repealing any of the existing laws we must bear in mind the question of where we are going to get the money in lieu of those taxes that we are repealing.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. CANNON. A pair of shoes that costs \$10 does not pay any tax.

Mr. FORDNEY. Up to \$10; no.

Mr. CANNON. If they cost \$12, there will be a 10 per cent tax?

Mr. FORDNEY. Twenty cents on a \$12 shoe.

Mr. CANNON. If a woman's dress costs \$200—and it is my experience that that is not a high price for a woman who goes in fashionable society—she has to pay how much tax?

Mr. FORDNEY. I do not know; my wife has not had a new dress since the Democratic Party came into power. [Laughter.]

Mr. CANNON. Most of us do know.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman from Illinois yield for just a moment for an explanation?

Mr. CANNON. Yes.

Mr. MOORE of Pennsylvania. I would like to call to the attention of the gentleman from Michigan [Mr. FORDNEY], in answer to the gentleman from Illinois [Mr. CANNON], the fact that women's dresses are not in this bill at all. Women's dresses are not taxed; neither is men's clothing. Those two things were taken out by amendment in the Senate one midnight when everybody appeared to be asleep. So they go scot free. They are not in this repealer at all, because, owing to the parliamentary status due to the fact that women's clothing and men's clothing were taken out, the bill was in such shape in conference that it had to be reported out in that way or else the whole bill would have been defeated.

Mr. CANNON. Let us take trunks, for instance. A trunk costing up to \$50 does not pay any tax. I see that is especially mentioned here in this bill.

Mr. FORDNEY. Yes.

Mr. CANNON. If the trunk cost \$60, the purchaser would have to pay how much?

Mr. FORDNEY. Ten per cent on all prices paid above \$50.

Mr. CANNON. How many men in the House have constituents who buy trunks costing over \$50?

Mr. WILSON of Illinois. We all have them.

Mr. CANNON. Oh, yes; the gentleman is from Chicago; but how many of his constituents, how many of his laboring men? How many of the farmers of the country buy such trunks? How many of the people who are producing things?

Mr. FORDNEY. All wardrobe trunks pay a higher price than that.

Mr. CANNON. Oh, yes; that is where you travel with a wardrobe trunk, and have your silk dresses and your spike-tail coats hung up on hooks.

Mr. FORDNEY. I may say to the gentleman that I do not own a wardrobe trunk, but I thought perhaps he does.

Mr. CANNON. Oh, no; I do not; I am one of the poor fellows.

Mr. GREEN of Iowa. Oh, no!

Mr. CANNON. Oh, well, the gentleman says "Oh, no!"—

Mr. FORDNEY. I am joking.

Mr. CANNON. So am I. [Laughter.] But seriously I do not believe that 5 per cent of the people of the United States pay one single cent on these articles mentioned. [Applause.] I want five minutes after a while in the consideration of this bill.

Mr. JEFFERIS. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. JEFFERIS. I would like to inquire where they expect to raise this revenue amounting to \$100,000,000 if not raised on these articles in the manner provided.

Mr. FORDNEY. I do not know just from what source it will come, except it will come from the people in some manner. Taxes must be raised; the money must be collected somewhere from the people. I would say, however, that we must not be frightened over the amount of taxes that we are paying because of this Great War. Let me say to the gentleman that I picked up a Chicago Tribune the other day, and to my great surprise I saw that the English budget, which is the English Government's expenditures for this fiscal year, which begins the 1st day of April and ends on the 31st day of March—their taxes will amount to \$7,500,000,000.

Mr. BLAND of Indiana. Taxes or appropriations?

Mr. FORDNEY. Taxes. Their budget represents the amount of money they must pay this year, collected in taxes, not from the sale of bonds. It must be remembered that the population of Great Britain—that is, England, Ireland, Scotland, and Wales—is about 45,000,000, while we have a population of more than 100,000,000. Their public debt is almost identical with our public debt. When our Government has disposed of the Government bonds and certificates of indebtedness already authorized, together with those that have been disposed of, our public debt will amount to \$37,500,000,000 and is almost identical with that of Great Britain. Great Britain holds obligations of her Allies in an amount equal in round numbers to that held by our Government from our Allies, namely, \$9,000,000,000. So that England's public debt and budget are identical with that of ours this coming fiscal year, with less than one-half of the population that we have to pay the bill. Therefore, her taxes must be double the tax imposed upon our people now.

Mr. JEFFERIS. Can the gentleman give any information as to the percentage of the people of the United States who are paying any portion of this so-called luxury tax on these different articles?

Mr. FORDNEY. No; I could not, because, in the first place, the Treasury Department did not have that number; that is where that information must come from, for the reason that these luxury taxes are not yet far enough advanced. They were only put into effect on the 1st day of May, if I am correct, and it is now too early for the Government to find out how much these taxes are going to be and who pays it and what class of people pay it, so I have not that information.

Mr. JEFFERIS. Will the gentleman yield for another question?

Mr. FORDNEY. I will.

Mr. JEFFERIS. Did the gentleman's committee have any information as to the cost of collecting this tax?

Mr. FORDNEY. No, sir; we have not. We have no information from the Treasury Department as to the amount.

Mr. SMITH of Michigan. The gentleman has given the population of the United Kingdom. I would like to inquire whether or not the English budget is not spread over Australia, Canada, South Africa—

Mr. FORDNEY. No, sir; it is not; it applies only to Great Britain. Canada has an independent government of its own, as has also the Union of South Africa.

Mr. BEGG. Will the gentleman yield?

Mr. FORDNEY. I will.

Mr. BEGG. Does the gentleman have any data showing how much will be saved in the collection of this tax and in seeing that the law is administered if it is repealed?

Mr. FORDNEY. No; that would be coupled with the question asked by the gentleman from Nebraska as to how much it would cost to collect it.

Mr. LONGWORTH. Will the gentleman yield?

Mr. FORDNEY. I yield first to the gentleman from Illinois [Mr. DENISON].

Mr. DENISON. I understood the gentleman from Michigan to state awhile ago that the public debt of the United States was \$37,000,000,000. Is that correct?

Mr. FORDNEY. The amount of the outstanding obligations of the Government, together with the authorizations, is \$37,500,000,000.

Mr. DENISON. And in that connection Mr. KITCHIN, the former chairman of the Ways and Means Committee, stated at the last session that when all the war debts were paid the public debt of the United States, exclusive of what we had loaned other Governments, would be \$20,000,000,000.

Mr. FORDNEY. Well, it must be understood—perhaps I should have gone further and stated that at the present time we hold in round numbers, it is a little above or below, \$9,000,000,000 of the obligations of our Allies in this war, which are to be deducted from those figures which I have just given.

Mr. DENISON. According to the statement of the gentleman from North Carolina [Mr. KITCHIN] in the House here in answer to an interrogatory I put to him, he stated that the total indebtedness of the United States Government after we had paid all the debts of this war, including the amount of foreign bonds we held, would be about \$29,000,000,000.

Mr. FORDNEY. That is, exclusive of the obligations held by this Government, it is \$29,000,000,000. Now, let me say to the gentleman in the payment of our obligations for the next 12 months, beginning the 1st of July, the interest on our public debt is going to be somewhere between \$1,000,000,000 and a billion and a quarter dollars. That is the interest upon our public debt. So far the interest from the obligation of the Allies that our Government holds has been promptly paid by the Governments borrowing that money, but it must be borne in mind that so far we have loaned them the money to pay, but that will be changed; we can not keep that up forever, and we expect in the future that they furnish the money to pay both interest and principal.

Mr. DENISON. And I think they should. Now, will the gentleman yield for one more question?

Mr. FORDNEY. Yes, sir.

Mr. DENISON. I was somewhat impressed by the question put by the gentleman from Nebraska as to where we will get the \$100,000,000 we are losing in repealing this section, and I want to ask the chairman if he can tell the House what part of this \$100,000,000 of revenue will be realized under subsection 20 of section 904, which puts a tax on kimonos, petticoats, and waists, on the amount in excess of \$15 each?

Mr. FORDNEY. I might be more familiar with it than the gentleman from Illinois, because he is a bachelor, but I must confess I am not thoroughly posted as to just how much we would get from the sale of kimonos. There are no figures on the subject. The gentleman ought to be better posted.

Mr. DENISON. Did the gentleman's committee consider how much of this \$100,000,000 revenue which would be lost would be lost by that particular item of the bill?

Mr. FORDNEY. No; there is no way of giving the information correctly, and I will say seriously, because these taxes have only been in effect a few days and the Government has no real statistics other than the estimates made at the time the bill was drawn last year, and where that information was obtained I do not know, but a Mr. McCoy, of the Treasury Department, who furnished these statistics and estimates on all former revenue bills which have been enacted since this war, is the gentleman who furnished those statistics and it was found that he was conservatively correct in all his estimates. I have stated, and I believe now, that his estimates are conservative, because under the act of 1917 for last year and under the act of 1916 it was estimated we would raise about \$3,600,000,000 of internal-revenue taxes from the provisions of the law. More money than that sum had been raised and when the Commissioner of Internal Revenue came before the committee, together with the Secretary of the Treasury, both stated that if we would give the Commissioner of Internal Revenue a sum of money, of about \$7,000,000, to pay expert accountants to review the tax returns that had come in they would collect—and that estimate was taken from those reports that had already been reviewed up to that time—they would collect another billion dollars, and therefore that law would yield more than \$5,000,000,000 on an estimate of \$3,600,000,000.

Therefore, it would seem that the estimates provided in the same way by the same gentleman, as set out in this law, are conservative and below the amount that will be collected.

Mr. DENISON. I was going to state, Mr. Chairman, that I am in sympathy with the repeal of most of the items of this section, but it does seem to me that a tax on kimonos and petticoats and waists in excess of \$15 is so clearly a luxury tax, if I understand what those mean—

Mr. FORDNEY. The gentleman does not claim that a petticoat is a luxury?

Mr. DENISON. I do not know much about those items, but I think that is a luxury.

Mr. LONGWORTH. Will the gentleman yield?

Mr. FORDNEY. I will.

Mr. LONGWORTH. I merely wanted to say that while it is utterly impossible to give any figures as to how much the collection of these taxes is going to cost, my information is that it was necessary to organize a bureau in the department for the sole purpose of collecting this tax, and it is thought it would be extremely expensive to collect it. My guess is—and, of course, it is a guess—that our net loss of revenue from the repeal of section 904 would not cost anything like \$8,000,000.

Mr. FORDNEY. I think the gentleman is correct in that statement, although it is absolutely impossible to know at this time just how much money it is going to cost the Government to collect those taxes. But it is estimated, as the gentleman says, that it will cost a large sum of money.

Mr. TINCHER. Will the gentleman yield?

Mr. FORDNEY. I will.

Mr. TINCHER. Have the committee under consideration any proposition for the repeal of section 907 of the revenue act?

Mr. FORDNEY. May I ask the gentleman what that section covers? I have not the bill before me.

Mr. TINCHER. It covers tooth paste, liniment, and everything that has to be handled in the ordinary drug stores.

Mr. FORDNEY. I do not believe there was any specific bill introduced and sent to the committee for the repeal of that section of the law, but the whole proposition of the consumption and luxury tax was discussed by the committee briefly and brushed aside for further information, with the exception of this section which we are now offering to repeal.

Mr. TINCHER. Will there be in the hearings of the Treasury Department an endeavor to find out whether you can save a good part of this by repealing section 907, thus releasing from the Treasury of the United States a number of accountants that it will take to collect under 907?

Mr. FORDNEY. I do not know how much that will amount to.

Mr. HOCH. Is the proposition for the repeal of this particular section based upon the injustice of this tax or primarily on the difficulty and impracticability of collecting the tax?

Mr. FORDNEY. There are several reasons. First of all, when this bill passed the House providing for the so-called consumption and luxury taxes it was at that time thought advisable and necessary to collect by the provisions of this bill \$8,000,000,000. But the gentleman will remember that between the time this bill passed the House and the time it was taken up for consideration in the Senate the armistice was signed and the Secretary of the Treasury went before the Committee on Finance of the Senate and recommended a reduction of from \$8,000,000,000 to \$6,000,000,000 for the taxable year of 1918 and a reduction to \$4,000,000,000 for this year. Therefore it was thought not necessary to carry all those provisions; that we would not need the amount of money that bill would raise. But it now transpires we are going to need a great deal more money than it was thought six or eight months ago we would need this coming fiscal year.

Mr. SMITH of Michigan. I understood from the gentleman from Pennsylvania [Mr. MOORE] that there was no tax upon tailor-made clothes. I would like to know if the revenue bill provides for any tax?

Mr. FORDNEY. Answering the gentleman, it is my recollection, without going back and reading the specific provision in the law, that there is a tax, no matter where those clothes are made. If the value of those goods are above a certain sum, there will be a tax.

Mr. MOORE of Pennsylvania. Will the gentleman pardon me again?

Mr. FORDNEY. Yes.

Mr. MOORE of Pennsylvania. I make the assertion, and I am quite sure the gentleman will verify it when he stops to think, that men's and boys' clothing and women's dresses were in the original law, as reported to the House and passed by the House, but were stricken out in the Senate, and they are not in this bill or in this repealer. I understand that there is absolutely no tax whatever upon men's clothing and boys' clothing or women's dresses.

Mr. SMITH of Michigan. That is as I understood the gentleman when he mentioned the subject.

Mr. FORDNEY. Possibly the gentleman is right.

Mr. FEAR. Will the gentleman from Michigan yield?

Mr. FORDNEY. I yield.

Mr. FEAR. I simply desire to state to the gentleman that I believe there are members of the committee who would never vote for the repeal of this law if it is to be grounded upon the fact that these items affect the poor people. It must be

grounded upon the fact that it is impossible or very difficult to make the collection, because we can not go before the country, in my judgment, and justify exempting shoes of \$10, valises of \$25, and trunks of \$50. It was based prior to this time, and this time also, I take it, on the difficulty of making the collection, not only on the part of the retailer in keeping the account, but on the part of the Treasury Department. So if it is to be based, as has been suggested here, on the statement that it is going to help the poor man, I do not think we can go before the country on that issue at all, and I do not believe the chairman wishes to be so understood.

Mr. MOORE of Pennsylvania. Will my colleague yield to me?
Mr. FORDNEY. I yield.

Mr. MOORE of Pennsylvania. To suggest to the gentleman from Wisconsin [Mr. FEAR] that in making that statement he is reflecting upon the intelligence of another body, one of whose Members at a late hour in the evening made one of the greatest speeches ever made in favor of this bill, in favor of the poor women who wore calico dresses, and the poor workmen who would have to pay \$25 for a suit of clothes, and succeeded in that argument in knocking out the taxes that had gotten in this bill against women's dresses and Parisian gowns, and things of that sort, and against tailor-made clothes of gentlemen who can afford to go out to evening parties.

I hope the gentleman from Wisconsin will look up the Record and examine the speeches that were made by an eloquent gentleman in the other body, when appealing at 12 o'clock midnight to those who were in the galleries, who asked that justice be done to those unfortunate poor who would have to buy dresses for women and clothing for men.

Mr. FEAR. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. I yield to the gentleman from Wisconsin.

Mr. FEAR. I have never found it necessary to be governed by the judgment of those in the other body in my reasoning, nor have I found it necessary or advisable even to be governed in my judgment by those in this body on a question of public economy.

Mr. MOORE of Pennsylvania. I hope the gentleman will always form opinions of his own on these matters.

Mr. FEAR. I am trying to do so now. I believe that there are many Members of this House who are acting upon this question of repealing these features of the bill solely because of the difficulty in making collections both on the part of the retailer and on the part of the Treasury Department, and they can not justify it because it is going to be a relief to the poor people, judging from these items. All that we have to do is to read them to make sure of that.

Mr. FORDNEY. I received a letter this morning from a man appealing to me to bring about the repeal of these so-called consumption taxes on the ground that he is receiving to-day from the Government—he is a Government employee—\$65 a month, and he states that it affects the value of about everything that comes into his house, and on a salary of \$65 a month this law is collecting from him a tax that he feels unable to pay.

Now, you can spread this tax over the poor or the rich as you may, but there are many items in this bill that are used by all the common people of the country on which the tax is being repealed.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. I yield to the gentleman from Ohio.

Mr. FESS. Reverting to the source of revenue, what proportion of the revenue will be raised by the war excess-profits tax? It is from \$2,000,000,000 to \$3,000,000,000, is it not?

Mr. FORDNEY. Yes; something over \$3,000,000,000 now.

Mr. FESS. I would like to have the gentleman's judgment as to whether that source will be very much after the war is over?

Mr. FORDNEY. Oh, I would say to the gentleman this—and I am glad he brought up that question, because it permits me to make a brief statement on the provisions of this law, which in my opinion ought to be changed; I do not know whether this would be a popular move or not, but I do know that it would be a very beneficial move to the labor of this country and to the capital of the country if the present excess-profit tax imposed upon the corporations should be transferred to the stockholders instead of the corporations. If the gentleman will permit me, a corporation is only the trustee of property belonging to the stockholder. It owns nothing. The stockholder owns all that property. The corporation is only acting for the stockholder. I do know this, that there are industries to-day, corporations that after they have earned a sufficient or reasonable income upon their capital invested are loath to go any further in making any large profits, because of being brought out of the lower paragraph of the income-tax law or the excess-profit tax law. The taxes upon further profits are very heavy, and that corpora-

tion, after it has earned a reasonable income upon the capital invested, does not care to break its neck, so to speak, in making more money and paying out \$4 out of \$5 to the Government on all money earned above a certain sum. That was the case with the taxes for the year 1918, now reduced. I believe that if that excess-profit tax should be removed or transferred, as I have said, from the corporation to the stockholders, the corporation would be given a free hand to run at its fullest capacity, producing more cheaply than under any other circumstances, and when the money is once paid to the stockholder, the Government should collect from the stockholder a sum equivalent to that which would be collected from the corporation.

I am not advocating less taxes on the stockholder or the corporation, because I know that we must collect a large sum of money there, but what I want is the privilege extended to the corporation to run the whole year round at its fullest capacity and to make all the money it can, and by so doing give full scope to its productive ability. But when that money is once earned, it should go to the stockholders; and if not distributed to the stockholders during the taxable year, then some equitable plan should be adopted to tax that money in the hands of the corporation as if it had been distributed to the stockholders, but giving the corporation a freer hand for the greater expansion of business.

Now, another thing: In the law there is provided a certain income from the sale of real estate and other property. The Treasury Department, through the Commissioner of Internal Revenue, has adopted a plan of collecting income taxes. It is a regulation, not a law, in my opinion, and it is this: If a party were selling some real estate to-day under the usual terms of deferred payments, say, one-fourth down on the purchase of the property or the signing of the contract and the balance in one, two, or three years—which is very common in the sale of real estate—if notes are given, the Treasury Department treats that as a completed or closed contract, and the parties selling the property must pay a tax on not only the cash received but the full value on the sale. Now, on the other hand, if notes are not given and the amount that would be provided for in the notes is provided for in the contract to be paid in one, two, or three years, the Treasury Department does not consider that a completed contract or completed sale and only considers as income the amount of cash received, and the deferred payments then are considered income in the year in which it is paid.

Now, that is a ruling of the Treasury Department through the commissioner's office, and it is wrong. I know of many instances where contracts have been made for the sale of property and notes given for deferred payments that never will be paid. I know a specific instance; I have one myself, in a sale which I made in 1912. I did not report income because the cash payment was very small. I took notes for long-time payments, payable every 90 days. In the meantime a storm came along and blew down much of the timber covered by that contract. The corporation to whom I sold is financially irresponsible except for the security of the property which I sold, and now to-day I must lose a large sum of money on that contract upon which I am called upon to pay a tax, and I never did and never will get that money.

You will pardon me for referring to a personal matter, but I know of other such instances. A note should not be considered income until the money is received for that note. Neither should a stock dividend be considered as income until the money has been received for that stock, and since this law has been enacted the Federal court in the district court for the southern district of the State of New York has held that the stock dividend is not income until it has been converted into money.

I believe that is a just and equitable decision of the court; but the Federal Government has appealed that case, and it will go finally to the Supreme Court of the United States if it is not there now. These things are rulings on the law, not provisions of the law, and I believe there are many other provisions of the law that work an injustice upon the people of the country.

Mr. FESS. Will the gentleman yield?

Mr. FORDNEY. I yield to the gentleman from Ohio.

Mr. FESS. My concern in the reduction of this amount of \$100,000,000 is with reference to the future, because if the excess-profit tax continues, as I presume it will, whether rightly or not, after the war is over I can not see that there will be such a great amount collected under that tax. It seems to me that that was very largely penal, and when people talked about profiteering in the war the answer was, "Let the profit be made, and the Government will take it in the form of a tax." That will not go on

after the war, and if the receipts from the excess-profit tax are materially reduced what are we going to look to as a source of revenue?

Mr. FORDNEY. I believe it will be businesslike to do two things: First, to prune most industriously everyone of the appropriations for the maintenance of this Government. [Applause.] We ought to curtail wherever we can without crippling the Government. Secondly, then we must look around for the necessary money to meet our ordinary expenses. The obligation is upon the Government, and the people are the Government, and therefore we must raise the money in some way. We must raise it in the most equitable and just manner.

Let me correct a statement that I made just a minute ago. When I stated that a stock dividend was not income, I did not mean that. I had reference to the note or obligation in a contract for the sale of real estate. The law did provide that a stock dividend should be considered income.

Mr. FESS. I understand the gentleman has no trepidation about our ability to pay the expenses incurred for the war without injury to the public?

Mr. FORDNEY. No; I have no fear whatever about our ability to pay our debts. I have not the exact figures before me, but I have them in mind, and they are very nearly correct. It is stated that the public debt of Great Britain to-day is, in round numbers, \$800 per capita, and that the per capita debt of France is \$900 for every man, woman, and child in France, and the public debt of Germany to-day is equal to 50 per cent of the total value of all property in Germany. That does not include the obligations that would be placed upon Germany by the Allies now considering that matter at Paris.

Mr. CARTER. How much is the public debt of the United States?

Mr. FORDNEY. The estimate is that the wealth of the United States is \$300,000,000,000, and exclusive of the obligations of our allies that we hold the per capita debt of the United States to-day is only \$300, one-third that of France, about one-half that of Great Britain, and far below that of Germany, because Germany's wealth before the war was only \$80,000,000,000 as against \$300,000,000,000 for the people of the United States.

Mr. FESS. Will the gentleman permit a further interruption?

Mr. FORDNEY. Yes.

Mr. FESS. I had felt that these luxury taxes were conducive to saving as against extravagance. I was rather inclined to oppose the repeal for that reason. I also thought, in reading it over pretty carefully, that a man of my standing could get through without paying any luxury tax at all. I do not see any article in here that would hit me, and I think I would represent the average fellow. I thought the tax was in the interest of frugality as against extravagance at a time when we are trying to save money, and we need all the revenue we can get. I was questioning the wisdom of the repeal, although there is a tremendous clamor for it.

Mr. FORDNEY. The gentleman was present, as I was, in this Hall two weeks ago last Saturday night, when the Republican Party in conference, or in caucus, as you may call it, passed a resolution recommending the repeal of the so-called consumption taxes. This is one of the sections. The Democrats on the Ways and Means Committee have joined with the Republican Members of the House in a unanimous report for the repeal of section 904, and this is a partial compliance with the resolutions passed by the Republican Party two weeks ago. Therefore, whether or not there are some people who would pay the tax who could well afford to pay it, who are caught under section 904, I do not want to argue that; but this action is in line with the resolutions passed by our party in conference two weeks ago, it is in line with the agreement of the conferees in the last session of Congress, and the bill for the repeal was passed in the House without a dissenting vote at that time, but failed to pass in the Senate because of the lateness in the session.

Mr. GREEN of Iowa. Will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. FORDNEY. I will ask for 20 minutes more time, solely for the purpose of answering questions, if anyone wishes to ask me any. I do not think I will use all that time.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that his time be extended 20 minutes. Is there objection?

There was no objection.

Mr. FORDNEY. I yield to the gentleman from Iowa [Mr. GREEN].

Mr. GREEN of Iowa. As one member of the committee on Ways and Means I wish to add one word to what the gentleman

from Michigan has said, with which I am in entire accord. It is true, as the gentleman stated, that the committee unanimously agreed to report this bill. Perhaps the members were influenced by a different reason, but I think there were few and possibly no members of the committee who objected to this tax in the abstract. The objection to the tax arose from the manner in which it worked out, more than from the nature of the tax itself; from the expense of collecting it and from the fact that it was generally believed that some persons succeeded in evading it, and because in many cases the cost of keeping track of it on the part of the merchant was more than the tax amounted to.

Then, there was another thing that influenced some—especially myself—and that is that over in the other body, spoken of by the gentleman from Pennsylvania, they proceeded for some reason, thought good by themselves, to take out the tax on men's and women's clothing, which made the whole section look unfair and unjustifiable in comparison. Influenced by these matters, it became not, as the gentleman from Michigan said, a party matter at all, because at the last session a bill was passed for its repeal, went through the House without opposition, and was presented by the Democratic floor leader, and both Democrats and Republicans voted for it. That was another reason that influenced members of the committee—that there was an implied pledge or understanding that these taxes would be repealed at this session. So I think, as a whole, it is not the nature of the taxes themselves that influenced the committee so much as these other matters.

Mr. FORDNEY. I think the gentleman is right.

Mr. SIMS. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. SIMS. I do not think this matter ought to be determined on what was done heretofore or upon the fact as to whether Democrats or Republicans voted for it. What is its purpose by taking taxes off of those who will not feel them and placing them on those who are not able to pay them? I do not understand that a suit of clothes is not necessary in and of itself, but the price of it ceases to be a necessity whenever you put it beyond that which is necessary to pay for the purpose for which we wear clothes—to keep us warm and comfortable. I understand that on a suit of clothes costing over \$50 the excess over \$50 is taxed.

Mr. MOORE of Pennsylvania. Let me say again to the gentleman that men's clothing is not taxed at all. If any dealer in this city or elsewhere taxes a gentleman who comes in and buys a suit of clothes he is liable to go to jail for one year and pay a fine of \$1,000 for misrepresentation of the facts.

Mr. SIMS. I do not care whether it is a suit of clothes or a trunk costing \$50.

Mr. MOORE of Pennsylvania. Let me say again that when the bill came into the House from the Ways and Means Committee it carried two provisions—that men's clothing in excess of \$50 per suit should pay a tax, that women's clothing in excess of \$50 for a dress should pay a tax. If a woman wanted to buy a dress and pay \$49.99 for it, she paid no tax. If she wanted to buy a \$5,000 dress, she would be taxed on everything above \$50. If a workingman or a rich man paid \$49.95 for his suit of clothes, he paid no tax under our bill. If he bought a suit costing \$150 or \$200 from a fancy tailor, he paid a tax on all in excess of \$50.

When that bill got to the other side, to the unmentionable body, a Member of that other body, in an outburst of eloquence that swept those in the gallery off their feet and almost brought tears into their eyes, pleaded in behalf of the poor workingman who would be taxed by this bill, having in mind the workingman who would pay over \$50 for a suit and the good, dear lady who takes \$5,000 of American money, goes to Paris, and buys a Parisian gown, and insisted that there should be no tax on women's dresses. We provided that she could buy a dress without paying a tax if she did not pay more than \$50. We thought that we took care of the poor in this bill.

Mr. SIMS. The luxury part is not in the amount paid, as fixed by the Ways and Means Committee, but in the amount over what is considered to be necessary for the necessary uses of a garment. The gentleman from Pennsylvania does not think that a \$5,000 gown is necessary for any lady, does he?

Mr. MOORE of Pennsylvania. Well, there are some ladies down in Tennessee—

Mr. FORDNEY. The more handsome the lady, the more handsome she makes the gown look.

Mr. SIMS. The more handsome the lady, the less she needs a gown costing over \$50. [Laughter.]

Mr. FORDNEY. Now, let me say to the gentleman, to recompense the Government for taxes lost by the repeal of section 904, since the war several great industries have sprung up in this country that could not survive against the strong and unfair

competition that we had prior to war conditions. One is potash. If you gentlemen of the House wish very valuable data on that subject, you will read the annual report of the Alien Property Custodian, the Hon. A. Mitchell Palmer, now Attorney General. In his annual report, beginning on page 25, he there describes the unfair and ruinous competition in the chemical industry in this country carried on by the Germans prior to the war. He explains it there more fully than I have time to explain it now. He showed in one particular instance where there were five industries established in this country in the chemical industry; they ran along, but afterwards competition became so keen that the price of the article produced was cut down so low that three out of the five were obliged to suspend operations.

When the war came on the two that had survived, it transpires, were branches of a parent company in Germany. Since that time the Government has taken them over under the enemy alien property act.

Since the war broke out people have invested in this country some \$50,000,000 in the production of potash.

Mr. SIMS. What has that to do with women's underclothes?

Mr. FORDNEY. It has a lot to do.

Mr. SIMS. I do not see how that comes in.

Mr. FORDNEY. How could you raise cotton without potash, and women's underclothes are made of cotton.

Mr. SIMS. Not those that cost more than \$50.

Mr. FORDNEY. Now, that is the reason why Republicans and Democrats should read this statement of Mr. Palmer.

Mr. SIMS. Of course the Republicans are not in favor of taxing luxuries. We all know that, but this is one time we believe they would stand for the Democratic policy of putting heavy taxes on luxuries and light ones on necessities.

Mr. FORDNEY. Mr. Chairman, \$50,000,000 has been invested in that industry, and the Geological Survey reports that in a certain lake in California there is raw material in sight to supply our wants at the present consumption for the next 80 years, and another lake in Nebraska quite equal to that of California. Potash is produced in 12 States in the Union from various sources. That industry will be put out of business unless we give them some protection, and the Ways and Means Committee will in a few days report what we might call a separate or shotgun bill for the purpose of protecting that industry.

The gentleman from Ohio [Mr. LONGWORTH] has introduced a bill to protect the dyestuffs industry, one of the most important in the land. We have all the raw material necessary to make all of the dyestuffs for the whole world. All that is necessary is for our Government to protect that industry in this country against the cheaper made article and the ruinous competition from Germany that existed before the war and will exist again the minute this war is over.

Another is laboratory glass, and I could go on and detail several of them. We will present to the House separate bills for the protection and relief of those industries, and we are going to ask our good Democratic friends to help us protect them from ruination, from competition from Germany the minute the peace treaty is signed, and I know you will do it.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. REED of New York. The gentleman from Tennessee [Mr. SIMS] said that, of course, the Republicans are in favor of the repeal of luxury taxes. I just want to quote from the President's message to the end that the Democrats may see there are some Democratic reasons for the repeal.

Mr. FORDNEY. Yes. If the gentleman can find anything really condensed in that message he will do more than I can.

Mr. REED of New York. In that message the President said:

Many of the minor taxes provided for in the revenue legislation of 1917 and 1918, though no doubt made necessary by the pressing necessities of the war time, can hardly find sufficient justification under the easier circumstances of peace, and can now happily be got rid of. Among these, I hope you will agree, are the excises upon various manufacturers and the taxes upon retail sales. They are unequal in the incidence on different industries and on different individuals. Their collection is difficult and expensive. Those which are levied upon articles sold at retail are largely evaded by the readjustment of retail prices.

Mr. SIMS. Oh, that all applies to soda water and things like that.

Mr. FORDNEY. I have in my possession 42 propositions on which the President has taken 89 positions. That makes three more. [Laughter.] He might change his mind again before he gets over here.

Mr. REAVIS. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. REAVIS. It has been stated by members of the committee on the floor that one of the motives actuating the com-

mittee in seeking a repeal of this section is the fact that another body has taken the tax off men's clothing in excess of \$50, and also women's clothing. Is there any other reason why we should repeal this tax, and because another body takes out two things that should be taxed, is there any reason why we should retaliate and take out all of the rest?

Mr. FORDNEY. That is not the reason.

Mr. REAVIS. What is the real reason?

Mr. FORDNEY. The real reason is that it is a consumption tax, and because of the items contained in that section 904 being composed of articles of common use by all of the people. It was thought advisable, by both Democrats and Republicans, to strike it out, and here we are.

Mr. REAVIS. The statement is made in the report that the reason is the difficulty of collecting the tax and the burden that is imposed upon the retailer. What information has the committee on that point?

Mr. FORDNEY. We have no reliable information, because the law has been in effect only a short time, and there is no reliable information obtainable, except the general information that we know that it is going to be very expensive to collect this tax.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. CARTER. I want to take the gentleman out of this political turmoil and ask him a question about that thing he was discussing when first interrupted. As I understood the gentleman's policy, it is that the excess-profits tax should not be assessable until after distribution of dividends?

Mr. FORDNEY. Oh, no.

Mr. CARTER. Let us have the gentleman's position on that.

Mr. FORDNEY. My idea—and I do not know whether this be agreeable, for it is only a personal idea; I do not know what my party or the gentleman's party might think of it—is that it would be a great benefit to the industries of the country to permit them to run full blast, if we would put the tax upon the individual stockholder and not the corporation. If the corporation fails to distribute the money, it should be taxed as if it were distributed. I am not trying to get away from any of the taxes at all.

Mr. EVANS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. EVANS of Nebraska. As I understand the chairman of the committee, you expect to lose by the repeal of this section \$100,000,000 of taxes, and you know of no place now from which you can get that amount?

Mr. FORDNEY. Oh, yes; we do.

Mr. EVANS of Nebraska. What is the method, then?

Mr. FORDNEY. By an import duty, and we propose to bring in a bill of that kind as soon as we can. It will take several months to prepare it, but we are going to bring it in.

Mr. EVANS of Nebraska. Will that bill bring in a sufficient amount of revenue to cover the deficit which the gentleman has stated here will exist?

Mr. FORDNEY. We have no bill prepared. We have not had time. The gentleman will remember last year it took the Committee on Ways and Means 20 weeks to prepare the present so-called new revenue bill.

Mr. EVANS of Nebraska. Has there ever been a tariff bill prepared that would bring in that amount of revenue on imports—

Mr. FORDNEY. One hundred million dollars?

Mr. EVANS of Nebraska. No; the amount that the gentleman stated would be a deficit. I think the gentleman stated \$6,000,000,000.

Mr. FORDNEY. Oh, no; but I will say this, however, that if the rates of duty had been in effect last year which are provided for in the Payne tariff law, which had the lowest ad valorem rates that we had had for half a century down to 1913, on the amount of goods imported last year we would have collected more than a billion dollars of import duties. We collected \$170,000,000. Our import duties to-day are lower than those of China, lower than any country in the world that has any tariff law.

Mr. EVANS of Nebraska. Will the gentleman yield for another question?

Mr. FORDNEY. Yes, sir.

Mr. EVANS of Nebraska. Have not the requests which have come for the repeal of this section come largely from the large department stores, and not from the small merchants?

Mr. FORDNEY. I could not say that was just correct; they came from many sources.

Mr. SMITH of Illinois. Will the gentleman yield?

Mr. FORDNEY. I will.

Mr. SMITH of Illinois. Was it the unanimous report of the committee—both Democrats and Republicans alike—that this section of the bill should be repealed?

Mr. FORDNEY. Yes, sir; both at this session of Congress and at the last session.

Mr. SMITH of Illinois. Then, this does not savor of anything like a party division, so to speak?

Mr. FORDNEY. No.

Mr. SMITH of Illinois. Was it the unanimous opinion of the committee that one of the principal reasons for this repeal was the excessive cost for the benefits derived under the bill?

Mr. FORDNEY. This is one of the consumption-tax provisions of the law; and I believe that nearly every man on the committee was opposed to consumption taxes then and is now. This section being one of the most obnoxious, they thought it ought to be repealed.

Mr. SMITH of Illinois. Will the chairman be kind enough to state—

Mr. FORDNEY. One of the most burdensome, I will say.

Mr. SMITH of Illinois. Whether or not it was considered and whether that was one of the reasons why this section was recommended for repeal—the excessive cost of collection?

Mr. FORDNEY. Oh, that was part of it; but this is a consumption tax, my friend, and that is one of the reasons.

Mr. LONGWORTH and Mr. LAGUARDIA rose.

Mr. FORDNEY. I yield to the gentleman from Ohio.

Mr. LONGWORTH. I thank the gentleman, but I think I will take the floor myself later.

Mr. LAGUARDIA. Is this repeal proposed as a beneficial measure? Are people unduly taxed now, or what is the purpose of it?

Mr. FORDNEY. To relieve the taxpayer from paying taxes, the consumers of the country who purchase these articles.

Mr. LAGUARDIA. Then why do the committee stop on one section, 904—

Mr. FORDNEY. This is the largest luxury-tax or consumption-tax provision of the law; all of them amount to \$350,000,000. Now, this repeals about \$100,000,000 of that, so it is the largest item in the law.

Mr. LAGUARDIA. How much would the repeal on ice-cream soda amount to?

Mr. FORDNEY. Twenty-one million dollars on soft drinks and ice cream combined; \$12,000,000 on soft drinks and \$9,000,000 on ice cream.

Mr. LAGUARDIA. The gentleman knows we had a tax on soft drinks in the previous bill. The ice-cream soda tax was put on this alone. Is not that correct?

Mr. FORDNEY. I introduced a bill, my friend—it was not in the 1917 law—for the repeal of section 630, which is the soft-drink and ice-cream provision of the law.

Mr. LAGUARDIA. Has that bill been reported?

The CHAIRMAN. The time of the gentleman from Michigan has again expired. The gentleman from North Carolina is recognized for one hour.

Mr. KITCHIN. Mr. Chairman, I congratulate the Republican members of the Ways and Means Committee in reporting a bill which was unanimously reported by the Democratic and Republican members of the Ways and Means Committee last session and unanimously passed by a Democratic House, both Republicans and Democrats voting for it. I was amused a moment ago when in answer to the gentleman from Ohio [Mr. FESS] the gentleman from Michigan reminded him of the fact that all Republicans in the last Congress just before we adjourned and all Democrats voted for this identical bill which the gentleman from Michigan, as chairman of the Ways and Means Committee, has reported out, and wondered why now the gentleman from Ohio and other gentlemen on that side, who then voted for it, should question the righteousness of this bill or intimate that they were not going to vote for it. He could not understand it. Well, the gentleman from Michigan need not wonder. The explanation is easy. The Republicans of the House simply had more confidence in the Democratic Ways and Means Committee of the last Congress than they have in the present Republican Ways and Means Committee. [Laughter.] When the Democrats reported out, with the approval of every Republican member of the committee, this identical bill, every Republican and every Democrat in the House on February 28, just before Congress adjourned, including the distinguished gentleman from Ohio [Mr. FESS] and others who now question its wisdom, voted for it. It passed the House unanimously and was only defeated in the Senate by the filibuster of three Republican Senators. It is therefore natural that the present distinguished chairman of the committee should express surprise that gentlemen on the Republican side question very much the justice and wisdom of this bill reported out

by him. Why, fellow Republicans, this bill is all right. [Laughter.] You said it was all right the last session, just a few months ago. The distinguished gentleman from Illinois [Mr. CANNON] says he thinks he is going to vote against this bill. Why, the gentleman stood right within 5 feet of the then chairman of the committee while it was being thoroughly explained, and voted for it. Now, I would like to know why this change unless I have given the exact explanation and reason for it. It is just simply a question of lack of confidence on their part in the Republican Ways and Means Committee; that is all. [Laughter.]

Gentlemen, let us get the facts concerning this bill and its history. From the foundation of this Government until last year, when the Ways and Means Committee, both Republicans and Democrats together, was writing the biggest revenue measure that was ever presented to any legislative body on earth or any people were ever called on to pay, no such a tax as is involved in this bill was ever inserted in any revenue bill. Such a tax is a revenue innovation. Some call it a luxury tax. It should be called a price-luxury tax. The articles taxed are necessities. They only become a luxury according to the statute when the price of them exceeds a certain arbitrarily fixed price. The Ways and Means Committee put that tax provision in the original revenue bill at the earnest recommendation of the Secretary of the Treasury and the administration, not so much to get revenue with which to prosecute the war, although we needed every cent we could get then, but for the purpose of encouraging thrift and economy among the people during the war—to discourage extravagance. The Secretary recommended a rate of 20 per cent instead of 10 per cent.

This provision, whose repeal by the pending bill is asked, passed the House together with what was then paragraph 1 of the section. That included clothing, suits of clothes, overcoats, coat suits, cloaks, dresses, underwear, and so forth. It passed the House unanimously during the war, as its repeal passed unanimously after the war was ended.

Mr. LONGWORTH. Would it interrupt the gentleman if I should read one sentence from the letter of the Secretary of the Treasury?

Mr. KITCHIN. No. I will be glad if the gentleman will read it.

Mr. LONGWORTH. It says:

This tax is recommended not only to raise additional revenue but for the equally important purpose of discouraging waste and consumption and unnecessary production.

The necessity has now been entirely removed.

Mr. KITCHIN. As I say, we passed this bill during the war. Before it got out of the Senate Finance Committee the war ended. The armistice was signed. Then, with the sanction of the Ways and Means Committee, Republicans and Democrats, I notified the Finance Committee of the Senate, Senator SIMMONS, Senator LODGE, and others, that it would be satisfactory to our committee if they would strike out all this section 904. It was intended to exist for and during the war. Everything taxed in that section is a necessity of life and not originally a luxury. The bill fixed an arbitrary price above which that necessity should become a luxury and be subject to a tax and below which that same article should remain a necessity.

The Senate Finance Committee, after maturely considering it and its whole history, Republicans and Democrats, unanimously struck it out of the bill which they reported to the Senate. The Senate on the last day of the consideration of the bill restored the whole provision, including the tax on clothing, suits, overcoats, cloaks, dresses, and so forth. Before the vote was taken on the entire bill, in the hurry and flurry of that day's discussion, the paragraph containing the taxing of such wearing apparel articles was stricken out, but the provision taxing the articles now included in section 904, which this bill proposes to repeal, was left in. Though fine, high-priced clothes, suits, overcoats, cloaks, dresses, some reaching into hundreds of dollars each, was made exempt from the tax, a tax of 10 per cent on shoes, hats, caps, hosiery, and many other such articles of necessity was levied. The conference committee met the bill just in that shape.

The House conferees would have been willing to have stricken the entire section out for certain reasons I will give you. They knew there was a discrimination in favor of one class of wearing apparel and necessities against another. They felt that if one was taxed, the other should be; if one was exempt, the other should be. The conferees on the part of the House and Senate had no jurisdiction to strike out the entire section 904, as it appears in the law. Why? Because there was no disagreement between the House and the Senate with respect to the tax on articles covered by section 904. Both bodies passed the bill

with such a tax in it. For the benefit of the new Members I will say that conferees have jurisdiction only on matters of disagreement between the two Houses.

The only way to harmonize the tax was to put back the tax on clothes, overcoats, dresses, and so forth. The Senate conferees would never agree to that. The conferees felt that the entire section should go out of the bill; but, as I said, they had no jurisdiction or authority to strike out the tax now in section 904, as both Houses had passed such a tax. So it became law. The conferees were all agreed that the only way we could harmonize it, and the only fair and just thing under the circumstances, taking into account the history of these so-called luxury taxes and the discrimination contained in the section, was to introduce and pass a bill, immediately after the revenue bill was signed by the President, to repeal section 904.

A statement as to this agreement and understanding of the conferees was made in the House and Senate. It went out through the country and everybody understood it. Not one objection to its repeal was heard from any source. It seemed that the whole people, when the matter and the facts connected with it were fresh in their minds, approved the proposed repeal. Accordingly, immediately after the revenue bill was signed by the President the Ways and Means Committee met and unanimously reported out a bill for the repeal of section 904, a bill identical in all respects, word for word, with the pending bill. On February 28, 1919, after explanation to a full House, the repeal bill, just like this one, was unanimously passed by the House. It went to the Senate. The Finance Committee of the Senate unanimously favored the repeal, but on account of the filibuster in the Senate was unable to reach a vote on it in the Senate.

Now I yield to the gentleman from Pennsylvania.

Mr. MOORE of Pennsylvania. If the conferees had not come to that arrangement and understanding, is it not a fact that, owing to the parliamentary situation that then prevailed at the close of the session of Congress, this revenue bill would possibly have been thrown back on the Senate for further discussion, and probably would have failed, and the Government could not have secured the money nor could the machinery have been put in motion to collect these war taxes at this time? That is the fact, is it not, and that is one of the reasons why this understanding was reached?

Mr. KITCHIN. Yes.

Now, let us see whether this is a wise and just tax now that the war is over. It is easy for one of a demagogic trend of mind to picture an opposing demagogue on the stump in his district arousing the prejudices of the people, especially the prejudices of the poorer people, against one who voted for the repeal of any kind of a tax supposed to be aimed at the "rich folks." In fear and trembling he imagines how his demagogic opponent will make the welkin ring by holding him up as an enemy of the "poor folks" because he voted to take the tax off silk petticoats, silk stockings, fine bonnets, \$5.10 hats, \$3.05 shirts, and \$2.07 caps. He underrates the intelligence and sense of fairness of the people. No man, rich or poor, intelligent or ignorant, can see any good reason why a Member of Congress should be willing to let a \$100 suit of clothes, a \$200 overcoat, a \$500 cloak, or a \$1,000 Parisian gown go absolutely tax free while perfectly willing to put a 10 per cent tax on a hat costing over \$5 or a cap costing over \$2 or a shirt costing over \$3, or on many other articles of necessity. Suppose I make clothing. My friend over there from New Hampshire [Mr. BURROUGHS] makes shoes. I have a clothing industry. He has a shoe industry. Shoes are just as much of a necessity to the people of the country as clothing. Both are absolute necessities.

Is it right to say to the gentleman from New Hampshire, "We are going to handicap your industry by putting a 10 per cent tax on your products when it reaches the consumer, while we propose to let KITCHIN'S products go free of any tax," though both industries are similarly situated, having same capital, and producing articles of living necessity? I could give illustration after illustration of the discriminations of this tax as it now exists in section 904.

Until the revenue bill of last Congress neither party, from the foundation of the Government, ever incorporated in a revenue bill or ever suggested, even during the Civil War, that this kind of a tax should be levied, making a necessity of life a luxury if sold over a certain arbitrarily fixed price. The Government of France levied such a tax during the war. I will ask the gentleman from Tennessee [Mr. HULL] if the Government of Great Britain finally adopted such a tax? I know it was being discussed in Parliament at one time.

Mr. HULL of Tennessee. The French Government was the only Government that finally enacted this law. The revenue was somewhat disappointing on account of the difficulty of col-

lecting, and the dissatisfaction was very great. After several months of consideration of a bill of that kind the British Parliament abandoned the matter, so I am informed.

Mr. KITCHIN. That is my understanding.

The gentleman from Wisconsin [Mr. FREAR] a moment ago made a very important suggestion regarding the repeal of this tax. He said one of the important reasons why we repealed the section last session and propose to repeal it now is on account of the difficulties of its administration and collection. This is true. While the Secretary of the Treasury, last Congress, when the war was on, strongly recommended such a tax in the interest of frugality and economy as well as revenue, those in the department who had to do with the administration of the revenue laws pointed out very clearly the many difficulties which would be incurred in the administration of such a tax provision and of the many commissions of frauds it involved. This is different from any other section of the bill. It will be almost impossible for the Government in its administration to safeguard itself and protect the honest dealer against a competing dishonest dealer.

There are only three kinds of retail taxes—that is, taxes collected from the consumers when the articles are sold—contained in the revenue act. These are the so-called patent or proprietary medicine tax, the soft-drink tax, and the tax in section 904, now under consideration. The patent-medicine tax is only 1 cent on every 25 cents or fraction thereof. The soft-drink tax is 1 cent on each 10 cents or fraction thereof. There are 20 people engaged in the sale of the articles in section 904 to 1 engaged in the sale of patent medicines or soft drinks, and the sales of articles under this section will amount to hundreds of millions of dollars more than either of the other two classes.

The Government can not protect itself or the honest dealer by issuing of stamps or tickets to be delivered canceled to the purchaser at the time of sale as it can do in case of sale of patent medicines or soft drinks. In both of such cases the unit of each sale is so small that the use of stamps or check tickets is practicable, but it is impractical in case of sales under section 904. How can we keep up with the accounts and keep track of the more than one million dealers in articles coming under this section and see whether every month, when they make returns of the sales and the tax, they have or have not pocketed Government money or evaded the tax? How can one tell whether or not they have noted and returned each taxable sale? And then if we lose all of the taxes on pills and tablets and other patent medicines and half of the taxes on soft drinks we will lose very little as compared with the amount that we would lose under this section unless it was possible for the Government to effectively administer the provisions and collect substantially all the tax. And this the Bureau of Internal Revenue fears can not satisfactorily be done.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. GREEN of Iowa. Yes; and the gentleman will notice also that in the same store there will be a dozen different articles, each paying a different rate, upon which a different amount must be paid and a different return made.

Mr. KITCHIN. Yes; that is true, which shows how very difficult and costly will be the administration of the provision.

The price of soft drinks, including ice cream, will either be 5 cents, 10 cents, 15 cents, 20 cents, or 25 cents a drink and the tax on each unit of sale or article will never, except in rarest cases, exceed 3 cents, and on pills or tablets and patent medicine the tax on any one sale will not in one case out of a hundred amount to over 4 cents. So the tax in each sale will be a small amount. In such cases the Government can easily protect itself by stamps or tickets to be canceled when the article is sold and the cost of collecting is small. It will get the tax in advance, and the tax being small, the dealer will be able to purchase such stamps or tickets and hold them for sales. But in sales of articles in section 904, how can the Government reasonably protect itself? How can it calculate whether the tax is going to be \$1, \$5, \$10, or \$20 on each unit of sale? Sale of stamps or tickets in this case would be impracticable and would involve too much outlay on the part of the dealer. It seems there is no reasonable way in which the Government is going to protect itself or the honest dealer against the rival dishonest dealer in the enforcement of this provision. The Bureau of Internal Revenue agrees with your committee in this matter and recommends the repeal of this section.

Mr. BAER. I was thinking that the same rule might apply to notes in banks. They do not know what size notes you are going to give, but if you fix up a note they put on any amount of stamps. I think the same rule would apply to this.

Mr. KITCHIN. No; the gentleman can understand the difference between the illustration I gave and the case that he gives. In the first place there are just so many banks in the United States. They are infinitesimally few as compared with the number of dealers coming under section 904. They are in certain places. The Government knows every one. The banks keep accurate account of each note taken. They are always of record. Of course, the farmers' friend from North Dakota did not know that. [Laughter.] They do not do it in a haphazard way. Then, there is a Government inspector, called bank examiner, who goes around four or five times a year and examines these notes, the amount of each of them, the makers, and so forth. Then the bank officers have to swear four or five times a year as to the amount of notes they hold. The Government can find out exactly, to a cent, the amount of notes outstanding at any one time in any bank. Both the bank examiner and the agent of the Bureau of Internal Revenue can at any time inspect the notes and see whether the proper amount of stamps has been attached to them. And then, too, the bank would refuse to take one's note unless properly stamped. I have dwelt on this for the benefit and information of the farmers' friend from North Dakota.

The Government, in a practical way, uses the stamp method, as in case of notes, as a protection of the revenue or as a protection to the honest dealer. It might cost the Government almost as much as it gets out of the tax to properly administer the law so as to be fair to the retailer and fair to the Government itself. If the Government can not collect substantially every dollar of tax that is due from a dishonest dealer, then it is going to be a great hardship on the honest dealer who turns in every dollar he receives and collects from his customers every dollar of tax due. It will work in favor of the dishonest competitor who pockets the tax collected or, to undersell his honest competitor, fails to charge to the purchaser the tax.

These are some of the considerations that led the committee to believe, on the whole, that this tax in its present shape and at the present time is an unwise tax and that it ought to be repealed. Some gentleman says, "Where can you get it from?" In the first place, let me tell you that, while technically the Treasury Department made estimates of the amount that they would collect from this source, yet practically it never considered it a part of the revenue bill, for the reason that the Treasury Department knew of the understanding of the House and Senate conferees with respect to this section; it knew that, in pursuance of that agreement, immediately after the President signed the revenue act, the Ways and Means Committee reported unanimously a bill to repeal section 904, and the House unanimously passed it, and the Senate Finance Committee, composed of Republicans and Democrats, unanimously approved the repeal. It therefore presumed that section 904 was going to be repealed. The estimates of revenue from this section is a pure guess. It may be \$85,000,000. It may be more. It may be half that amount.

Mr. GRAHAM of Illinois. Does the gentleman from North Carolina know of any authority under existing law whereby the Treasury Department or the Internal Revenue Department can require a storekeeper to keep his accounts in a certain way, so as to record each sale, and whereby the inspector or the revenue collector can tell the amount of any particular sale?

Mr. KITCHIN. I know of no law requiring that.

Mr. GRAHAM of Illinois. I do not understand that by this act you can compel a man to keep any record of his sales, and therefore you can not tell whether he has robbed the Government or whether he has not.

Mr. ALEXANDER. The Government might require him to keep his books in a certain way.

Mr. KITCHIN. I doubt whether it would require him to keep a record of every sale, regardless of whether it was a taxable sale or not, but the Government can require him, under its regulations, to keep an itemized account of every one of the sales on which this 10-per cent so-called luxury tax applies; but unless it could make him keep a record also of the sale of articles whose price was under the luxury price there would be no way to check him up. If he was required to keep a record of every such sale, it would be an undue and most expensive hardship.

Gentlemen, let me say that there should be no demagoguery in this thing. In some parts of the country they may think a man who buys a shirt that costs more than two or three dollars is indulging in a luxury. The poorest outdoor laborer in the cold regions of our country can not buy a shirt for less than \$5. They must have woolen shirts. Instead of \$3, such a shirt, which three-fourths of the outdoor laboring people in the North and Northwest must have during the winter months, can not be bought for less than \$4 or \$5, and when you put a tax on all

over \$3 you are taxing the laboring man of the North and Northwest 10 per cent on every dollar he pays above \$3.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. SMITH of Michigan. Is there any reason for taking off this tax that would not equally apply to taking off the tax on ice cream?

Mr. KITCHIN. Why, certainly. Ice cream, whether the same quantity in one place costs 10 cents and in another 40 cents, is not an article of necessity but purely a luxury. Every article in this section is a necessity for the poor and rich alike, whether it costs \$1 or \$10. The soft-drink and ice-cream tax is very small per unit of sale. The Government can, as I have tried to show, easily administer the tax provision as to them, and safeguard in the most practical way the collection of the tax, and at the same time protect the honest dealer, while it can not satisfactorily do so in case of the tax under consideration, as those charged with the administration of the law have pointed out.

We should remember, too, that articles which are absolute necessities of life by this arbitrary scale of price fall into the luxury class in these abnormal times, while in normal times they would fall much below the luxury price fixed by this section.

A hat that you could buy for \$3 three or four years ago, in normal times, now costs \$6. A hat that you could buy for \$5 three or four years ago you can not buy now for less than \$10. A pair of shoes that cost \$5 before the war you now have to pay \$10 or \$12 for. Such hats and shoes are not a luxury, but they become so according to the arbitrary price standard fixed by the section, because of the present abnormally high cost of such articles.

An article of higher cost may be a necessity to one person as much as one of lower cost may be to another. Take a suit of clothes. Here is a man, a splendid gentleman, just as good and as much of a gentleman as anyone, who, in normal times, wears a suit of clothes costing from \$15 to \$25. He deems that sufficient for him, according to his business associations and surroundings, and he is content. Here is another man no better, but with different business associations and surroundings, who pays \$50 or \$60 for a suit. That is just as much a necessity for him as the suit costing \$15 to \$25 is to the other man.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. KITCHIN. I will yield to the gentleman from New York.

Mr. LAGUARDIA. The gentleman does not seriously mean to say that ice cream is not a necessity, taking into consideration the climate and conditions and the needs of children?

Mr. KITCHIN. Why does not the gentleman come right out and say that when prohibition goes into effect in New York, ice cream, as well as soft drinks, will become a necessity. Is that what the gentleman means? [Laughter.]

Mr. LAGUARDIA. Not exactly; I am very serious in this.

Under the conditions and the surroundings we have in New York City, I say ice cream is a necessity for the proper care and nourishment of children.

Mr. KITCHIN. If the gentleman wants me to express an opinion, although I am not an expert—

Mr. LAGUARDIA. The gentleman is an expert on raising children. [Laughter.]

Mr. KITCHIN. I am not a physician, and do not know much about the Public Health Service, but I would say that if the children can not afford to pay the small tax on ice cream, I would suggest that if they would take a glass of pure milk, costing a good deal less, put in a little ice, it would be much more refreshing and more wholesome, and in every way serve their health much better than ice cream, the make-up of which is, in many cases, very doubtful.

Mr. LAGUARDIA. I do not agree with the gentleman.

Mr. REAVIS. Will the gentleman yield?

Mr. KITCHIN. I will yield to the gentleman for a question.

Mr. REAVIS. The gentleman stated that a \$20 suit purchased by one individual was no more of a necessity or less a luxury than a \$50 suit purchased by another individual.

Mr. KITCHIN. Both are necessities to each individual; I did not say luxuries.

Mr. REAVIS. Is not the presumption justifiable that the man who buys a \$50 suit can better afford to pay the tax than the man who buys a \$20 suit?

Mr. KITCHIN. I think there is no doubt about that. I suppose a man who is worth a million dollars is better able to pay a tax of \$200 on a \$60 suit of clothes than a poor man to pay any tax upon his, but the financial ability to pay taxes is not the real basis of the tax under consideration. If it was we would provide that the man who paid \$60 for a suit of clothes

and was worth a million dollars should pay, say, \$100 tax, and the man worth \$500,000 should pay \$50, and a man worth \$100,000 should pay \$10, and so on. The income tax, with its high gradations, catches the man of financial ability.

Mr. REAVIS. Was not the committee, in the first instance, actuated by the knowledge that if a man insisted on paying \$25 for a grip, or \$10 for a pair of shoes, he ought to be compelled to pay a tax because of his ability to pay the tax on the article above that price? Was it not founded on his ability to pay?

Mr. KITCHIN. Of course, that entered somewhat into it, but one of the principal ideas was to discourage men who were not so able financially from being extravagant in their purchases. If, however, they, rich or poor, insisted on such purchases they would pay the tax. One of the main purposes of the section was to promote economy and frugality among the people during the war.

Mr. REAVIS. You relieved them from the tax?

Mr. KITCHIN. Yes. This bill repeals such a tax, for the reasons I have given.

Mr. REAVIS. Does not the same motive that inspired the committee to put the tax on these things, mis-called luxuries, still prevail?

Mr. KITCHIN. I do not think to anything like the same degree.

Mr. REAVIS. It differs only in degree?

Mr. KITCHIN. I believe I can make the matter very plain, so that the gentleman will not be willing to carry out to its legitimate conclusions his own theory. We all admit that these are necessities.

Mr. REAVIS. The article itself.

Mr. KITCHIN. Yes. Now, a house to shelter a man's wife and children is a necessity. There is no man in the United States who can not take \$5,000 and build a house sufficiently good to protect his wife and children, to let them live comfortably, shelter them from the storms, the wind, and the sunshine. The house may not be as fine as some others, but it will provide that sort of protection. That is a necessity. Take the man who has the \$5,000 house and the man who has a \$20,000 house or a \$50,000 house. Would the gentleman be in favor of fixing an arbitrary price and saying that every man who buys or builds a house to shelter himself, his wife, and children at a cost or price over \$5,000, or even \$10,000, should pay 10 per cent upon the excess?

Mr. REAVIS. If the gentleman is asking me the question, I would not, because temperamentally I am opposed to a consumption tax, but I have listened carefully to the gentleman and to the gentleman from Michigan [Mr. FORDNEY] for some reason why this should be now repealed. The only reason yet given is that the committee agree upon it. That is not persuasive with me. Another reason is that you are discriminating against the shoe man in favor of the clothing man. That discrimination against the shoe man can be secured by putting the clothing man in instead of relieving the shoe man.

Mr. KITCHIN. How about the collection of it, the extreme difficulty, which the department points out, of its administration, and the ease with which a dishonest competitor can take advantage of an honest competitor?

Mr. REAVIS. Oh, that prevails with every consumption tax in the bill.

Mr. KITCHIN. Was the gentleman here when I explained the difference between a consumption tax on soft drinks, patent medicines, and so forth, in which cases the Government could protect itself by a stamp or ticket in advance, and the difficulty of collecting a tax of this kind and guarding the Government and an honest dealer against a dishonest dealer?

Mr. REAVIS. I heard the gentleman's explanation, and, with all due regard for the gentleman, I do not accept it.

Mr. BAER. I agree with the gentleman.

Mr. KITCHIN. I want to say to the gentleman from Nebraska [Mr. REAVIS] that I regard him as one of the most brilliant, most able men in this House, one whose mind can comprehend any proposition as quickly as anyone; and after Mr. FORDNEY's full explanation, clear as a bell, and after my full explanation, as clear as two bells [laughter], how in the world his mind to-day fails to grasp the sound reasons for the repeal I can not understand, unless he got no sleep last night. [Laughter.]

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. LONGWORTH. Let me see if the gentleman and I are not in agreement upon the real bedrock proposition involved here. I conversed with the gentleman from North Carolina at great length about it when it was first suggested. The prime object of this tax was not to raise revenue, but it was to discourage the sale of high-priced articles—not only discourage the sale, but the production of them. So that it would leave the

manufacturers who were producing high-priced clothes an opportunity to go to the production of lower-priced necessities; so that this tax was a tax to penalize not only the sale but the production of the articles described. The gentleman from North Carolina and I agreed that it was an unprecedented tax, a tax which so far as we knew was never in existence in any country, except in France as a war tax, but was justifiable because we were at war. We wanted to stop people from even producing such articles as I described in this section, and was only justifiable in that way as a war tax. Now that the armistice has been signed, we not only do not want to discourage production but we want to encourage it. That is the reason why this law should be repealed.

Mr. KITCHIN. The gentleman has clearly stated many of the reasons why the tax was put in the bill and why it should now be repealed. If gentlemen will think a moment they will realize that other articles could be included in a tax of this kind almost without end and the same reasons as gentlemen give for opposing this repeal could be applied to justify the tax on them. Take chairs, for instance. A man can sit on a chair that cost \$2 or \$3 just as well as he can in a chair that cost \$50. Take davenport, beds, furniture of all kinds, blankets, and hundreds of other things. You can go into every class of articles, though necessities, and put them into this class of so-called luxuries by fixing an arbitrary price above which they should become luxuries and be subject to a tax.

Let me bring to your attention another consideration. This section, if unrepealed, will unjustly cause the retail merchants of this country to lose millions and millions of dollars. This did not become a law until February 24. When the revenue act, which included this section, became a law, under the circumstances I have explained the dealers and the people generally understood that this section would be repealed. When the act was passed the merchants had on hand many millions of dollars of stock bought long before such a tax was suggested, much less enacted, and with no idea that the price to their customers would be increased by such a tax. The purchase of these millions of goods was made on the basis of a certain profit, that they could dispose of them to customers at a certain price. After they got these goods on the shelves this section was enacted. This would of necessity compel them to charge a higher price to the customer or consumer, who by the provision is to pay directly the tax.

You will see at once that millions of dollars of these goods would never be bought. A person would go to buy a bonnet or hat or stockings or shoes, and so forth, and after the price was stated the merchant would have to say, "In addition to the price you have to pay 10 per cent tax" on such and such excess. In many cases the reply would be, "I will not buy if I have to pay the tax," or the customer would ask for the article below the luxury price and not subject to the tax. There is no doubt that millions of dollars' worth of goods would be left on hand, a loss of millions to the dealers, who purchased or contracted to purchase long before they knew of such a tax. Many women, perhaps, through the influence of "frugality" societies, would refrain from buying articles in the so-called luxury class for fear of being regarded as extravagant or as belonging to the luxury class. Retailers, as we know, must contract six or seven months in advance of the season for which they buy. Before this law was ever put upon the statute books millions and millions of dollars were contracted for to sell at a certain price retail. In these contracts the tax was not considered, as there was no law providing for such a tax, and if contracted since the revenue act was passed, or after the conferees had agreed on it, the dealers had every reason to believe this tax would be repealed. As I said, necessarily many millions of goods will be left on hand by reason of the tax if it is not repealed, to the great loss of the innocent retailers. If such a tax was put on the manufacturer of the articles and applied to articles hereafter manufactured, then the manufacturer and the retailer could protect themselves from loss of the goods already manufactured or purchased.

It is possible that the Government may have to resort in the future to a tax somewhat similar to this, but it should be levied in a way to safeguard the Government in the revenue and protect the honest dealer against a competing dishonest dealer.

Mr. BURROUGHS. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. BURROUGHS. I was very much interested in what the gentleman was saying, but I labor under a good deal of the same apprehension or misapprehension which the gentleman from Nebraska has expressed.

What troubles me about this thing is, while the taxes on these particular articles expressed in this bill are repealed, that the tax should be left on things which seem to be equally

deserving of repeal. Take, for instance, the matter of fur coats. I come from a northern climate, where a fur coat is a necessity.

Mr. KITCHIN. Is the fur coat troubling the gentleman? It has troubled me. As the gentleman says, in his northern climate and in the Northwest fur coats are a necessity for rich and poor alike. The tax on them should be repealed. It was practically understood at the last session, when the repeal of this section was passed by the House, that the Senate would amend the repealing bill by including the tax on articles made of fur and that the House would concur. This will probably be the course pursued at this session if this bill passes the House. It so happens that the tax on fur coats and other articles of fur is in another section with articles of several different classes. Properly it should have been in the section under consideration. The committee thought it best to confine the repeal to section 904. The Senate, no doubt, will amend by adding fur coats and other articles of fur worn by the people, and the House, or its conferees, will agree to it, as was the understanding last session.

Mr. LAGUARDIA. Was that understood?

Mr. KITCHIN. That was the tentative understanding of the members of the Ways and Means Committee and Finance Committee.

Mr. BURROUGHS. I was in favor of the repeal of these—

Mr. KITCHIN. The other articles taxed in the act are real luxuries, regardless of the price. Take the question of smoking. It makes no difference whether a cigarette costs a quarter of a cent or 5 cents each, it is a luxury. It makes no difference whether a cigar costs 5 cents, 10 cents, or a dollar, it is a luxury. It makes no difference whatever whether it costs 10 or 25 cents or a dollar a pound, candy, for instance, is purely a luxury. So are practically all the other articles taxed in the bill. I ask pardon for consuming so much time. I had no idea of taking over 5 or 10 minutes.

In conclusion, permit me to give you gentlemen over to my left some advice—

Mr. PLATT. Will the gentleman yield?

Mr. KITCHIN. Do not interrupt me while I am starting out in my advice to you gentlemen. I noticed the other day when the Committee on Agriculture had up its appropriation bill in the Committee of the Whole House on the state of the Union that on several propositions, which the Committee on Agriculture, after thorough study and investigation into all details, had recommended and reported, and which the Committee on Agriculture, Republicans and Democrats, of the last Congress had, after mature consideration, reported favorably, the Republican Members present, except the members of the Committee on Agriculture itself, led by the honorable gentleman from Pennsylvania [Mr. MOORE], voted almost to a man to strike out. After my friend from Pennsylvania [Mr. MOORE] and the other gentlemen here who voted with him had made up the majority membership of the Committee on Agriculture, composed of as intelligent, able, and patriotic Republicans as can be found, and had them nominated and elected by the House as worthy of our and the country's trust and confidence, we had the spectacle on this floor of the gentleman from Pennsylvania combining together practically every Republican present in an effort to vote to discredit this committee of their own creation and repudiate its first official effort and act. Fortunately for the committee and the agricultural interests of the country there were enough Democrats here to vote with the committee to save in its substantial entirety the bill.

Mr. BAER. I would like to ask the gentleman if that was not a Democratic bill, and that this Republican committee did not have any hearings on it at all?

Mr. KITCHIN. Here are the facts: The committee last Congress had extensive hearings, all published. At the hearings and in the consideration of the bill in the committee were the present chairman and many other Republican members of present committee. The bill, just like the pending bill, was reported favorably by the unanimous vote of Democrats and Republicans after the fullest consideration. The pending bill, being the identical bill which was reported and passed last session, was, after full consideration by the present committee, Republicans and Democrats, at this session again reported favorably by a unanimous vote. Mr. LEVER, a Democrat, was chairman of the Committee on Agriculture last Congress, and a majority of the committee were Democrats. Mr. HAUGEN, a Republican, is the chairman of the committee this Congress, and a majority of the committee are Republicans. All Democrats and Republicans, in both Congresses reported the bill by unanimous vote. By your votes you attempted to repudiate the Republicans on the committee last session and the Republicans

on it this session. I saw that effort made five times. I saw the gentleman from Pennsylvania [Mr. MOORE], who had more power in creating this committee than any other man, five times ask the Republicans of the House to discredit and repudiate this committee of his own creation, and five times did I see practically every Republican present stand up and respond to his demand. This does not look good. Mr. MOORE and the Republicans who followed him should kick these gentlemen off the committee and put others in their places, if they are either in patriotism, in integrity, or in ability unworthy. I am glad to say that the House is in entire disagreement with the gentleman from Pennsylvania [Mr. MOORE] and the Republicans who followed him with respect to the membership of this committee.

Now comes the Ways and Means Committee this morning and reports a bill, a Ways and Means Committee the majority membership of which was created by the Republican caucus, and under the influence of the bad example set by Mr. MOORE of Pennsylvania and his followers in respect to the Agricultural bill many Republicans indicate and assert that they intend to repudiate the first official effort and act of their own Ways and Means Committee. They propose to discredit, as far as possible, the Republican membership of that committee. All right, go ahead. I remind you again that you yourselves voted for and the House unanimously voted for this very bill a few months ago. Now, then, shall we understand that you confess that you have made a mistake in electing the Republican membership of the Ways and Means Committee, and that really the Democrats of the last session, when you voted for the bill, had a better committee, a committee more worthy of your trust and confidence? Do you want to stand here at this session and repudiate your own committee while you indorsed our Democratic committee? [Laughter.]

I think Mr. FORDNEY's committee is right in reporting this bill out favorably, and I hope every Republican and Democrat will vote for it. [Applause.]

Mr. KITCHIN. Mr. Chairman, how much time have I left?

The CHAIRMAN. Seven minutes.

Mr. KITCHIN. I offer to yield to the gentleman from Tennessee [Mr. HULL] and the gentleman from Tennessee [Mr. GARRETT].

Mr. MOORE of Pennsylvania. Does the gentleman want to pursue the line of argument now?

Mr. KITCHIN. I have finished my argument.

Mr. GARRETT. Mr. Chairman, I will say to the gentleman from North Carolina and to the committee that I do not propose to talk upon this immediate matter. I intended to talk upon a feature of the revenue bill, and it might be more desirable to the committee to have this, which is right in line upon this section, concluded before I say what little I have to say. I am perfectly ready to go ahead now if it is desired.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. MOORE] is recognized.

Mr. LONGWORTH. May I ask the gentleman from Pennsylvania, before he begins, if he will be willing to yield to me 10 minutes of his time in order to avoid asking recognition in my own behalf?

Mr. MOORE of Pennsylvania. Yes.

Mr. LONGWORTH. And I think the gentleman from Iowa [Mr. GREEN] also would like a little time.

Mr. MOORE of Pennsylvania. With pleasure. I hope the gentleman will interrupt me if I overstep the time, so that I can keep the promise. I will gladly yield.

Mr. Chairman, having sat side by side with the gentleman from North Carolina for many moons, I have every faith in his patriotism, but on public occasions, when there is an opportunity for brilliant oratory, I am impelled to say that his partisanship sometimes overtops his patriotism. Here to-day is a proposition which, as I view it, is nonpartisan. I would not inject partisanship into it, but I find, owing to the speeches that have been made upon the other side and the suggestions that have come from the gentleman from North Carolina, it is necessary to cover the situation, even though one or two partisan references may be made.

If the gentleman will recall the elections recently held, by which a Democratic Congress was turned out and a Republican Congress was put in, after the President of the United States had made an earnest appeal to the people to elect a Democratic Congress, since he had not faith in a Republican Congress, he will probably find a reason for the expressions that come up from the new Members on the Republican side. These gentlemen have been sent here because of a lack of faith in the administration and in the Democratic leadership here. I do not wonder that new Members on the Republican side ask questions about these bills. They have seen enough in the last few days

to lead them to believe that the Democrats while in power were capable of putting over a good many things that were in the interest of the Democratic Party, more so perhaps than they were in the interest of the country.

I have a distinct recollection with reference to the Agricultural bill. When it came up here under Democratic auspices from year to year it was raised in the aggregate of appropriations from time to time until it provided ultimately for upward of 18,000 employees, mostly Democratic officeholders, who were sent broadcast over the country to talk to the farmers, and who occasionally did what a Congressman used to do in the old days when he was a candidate, left just "a few kind words for the administration" before he departed from the mission on which he had been sent. It is mighty helpful if 18,000 representatives of the Department of Agriculture, coming from the colleges and theoretical institutions, going broadcast among the farmers in all the States, and particularly in the Middle West, after teaching a few lessons on making cottage cheese and the preparation of apple butter, should say, "Don't you think President Wilson is right on the league of nations?" or "Don't you think our splendid President should be backed up by your votes?"

I do not wonder, if men have been put into the Department of Agriculture or any other department for this purpose, that Members of Congress, coming here for the first time and observing that a Democratic hold-over bill is being expedited in its passage through the House, not because the Republicans had any particular choice in the matter but because it had to be passed speedily to save the face of the Democratic administration, I do not wonder that some of them have been asking, "Why were not hearings had upon the subject?" And I do not wonder that they failed to know that this bill had had hearings up to the tune of 1,000 or 1,200 pages at the last session of Congress under a Democratic administration. They were not aware how the bill had been turned over to us. This bill, as we all know, must be passed before the 30th day of June next or the functions of the Department of Agriculture will cease and whatever benefit the farmers get from it will not operate, unless a Republican Congress passes a resolution, in accordance with Democratic practice, extending the appropriations of the preceding year—a war year, by the way—into peace times.

Mr. HAUGEN. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield to my friend from Iowa, the new chairman of the Committee on Agriculture, who is proceeding under great difficulties in the conduct of a Democratic bill.

Mr. HAUGEN. Not at all. May I ask the gentleman if the bill under consideration at the present time has any resemblance to a Democratic bill such as that which was passed in the last Congress?

Mr. MOORE of Pennsylvania. Yes. It has a close resemblance to the bill passed through the House when the gentleman from North Carolina [Mr. KITCHIN] was chairman of the committee and when the Democratic Party was in complete control of the House and of the committee and when he had the approval of a majority of the House.

Mr. HAUGEN. In what respect has there been a change since the last Democratic Congress?

Mr. MOORE of Pennsylvania. I see no substantial changes.

Mr. HAUGEN. How is it a Democratic bill?

Mr. MOORE of Pennsylvania. I am referring to the Agricultural bill now. It is a Democratic bill, passed under Democratic auspices in the last Congress, and is re-presented because there has been no real opportunity to prepare a proper bill since the Democrats passed it, and we are in a situation where, if the bill does not pass speedily, the functions of the Department of Agriculture will cease. So that it is a matter of prime necessity to get the bill through.

Mr. LEVER. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes; I yield to the gentleman from South Carolina.

Mr. LEVER. I do not recall that the gentleman from Pennsylvania offered any amendment to the bill as it passed the House at the last session, except that he offered a provision for the extermination and eradication of mosquitoes. [Laughter.]

Mr. MOORE of Pennsylvania. The gentleman is usually accurate, but in this instance he falls short of the mark, because while that was a standing motion for three or four sessions of Congress previously, and while it met with a heartless rebuff from the gentleman from South Carolina always and ever, although his section of the country is sometimes as afflicted by the pest as any other section of which I spoke, yet that question did not arise at the last session of Congress and no such amendment was offered by me.

Now, I want the new Members to observe that the present agricultural bill contains no provision for the extermination or

eradication of the mosquito, which the gentleman from South Carolina seems to have preferred to preserve rather than exterminate. I hope, however, that under a Republican administration we may be able to put the mosquito out of business, even in the gentleman's territory. [Laughter.] So that, to resume, the gentleman from North Carolina [Mr. KITCHIN] was answered to a certain extent by the action of the people of the United States when they went to the polls last November and practically said, "Get out, ye Democratic Congress; we want Republicans on guard." Hence, we are here, picking a few flaws in the kind of legislation that was thrust upon us when we were in the minority and when the steam roller was pushed over us from the White House, all the way down the line.

Who was it—who was it that induced Republicans to support the war revenue bill? Did I vote for the great tax bill in committee or upon this floor because I wanted to tax the people? No. And yet I voted for that bill.

Why did I vote for that bill, even for this so-called luxury provision? I voted for it because under the administration of the President, the Commander in Chief of our Army and Navy, the country was brought to such a financial pass that it was absolutely necessary almost to tax the shirts on the backs of working men in order to raise the revenue necessary to permit the President to run the Government, and those taxes included the \$100,000,000 we voted to him, much of which he has been spending during his sojourn on the other side of the water.

How much money did he want? Well, gentlemen, up to the beginning of this present fiscal year, which ends June 30 next, we had appropriated and spent, including loans to our Allies, \$12,000,000,000—\$12 per minute for every minute that has elapsed from the time Jesus Christ was born down to the present moment. That is what we spent up to the end of June, 1918. Then stepped into the Congress of the United States, before he undertook his voluntary mission abroad, the President of the United States, and mounting that rostrum yonder, said that the necessities of the Government were great, that vast sums of money would be needed, and that taxes would have to be levied upon the people, but that the people would not complain. Oh, go and get the address of the President, the Commander in Chief of our Army and Navy, and read there his words to the effect that the people would gladly—I think I am using the exact word—the people would "gladly" bear the burden of the taxes that we should levy upon them, and that it was our duty to do so.

Previously he had suggested that we should go so far as to levy taxes upon stationary engines, upon gasoline and oil; but political conditions that are ever present in the mind of the distinguished and eloquent gentleman from North Carolina [Mr. KITCHIN] prevailed in the Committee on Ways and Means, and when it came to taxing the oil—kerosene—that went into the farmer's lamp, "No, no"; the committee could not see it as the President saw it, and the suggestion of the President was heard no more. [Laughter.]

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. GARNER. The gentleman from Pennsylvania voted for the appropriation?

Mr. MOORE of Pennsylvania. Which appropriation?

Mr. GARNER. The appropriations that we made in the war.

Mr. MOORE of Pennsylvania. Yes.

Mr. GARNER. And all the taxes, too?

Mr. MOORE of Pennsylvania. All the taxes imposed during the war.

Mr. GARNER. I think the gentleman admits that he voted for all the appropriations and all the taxes.

Mr. MOORE of Pennsylvania. Yes; I have already said so. I would not have done it except under the compulsion of war and the direction of the President of the United States, the Commander in Chief of our Army and Navy, who said that unless we levied these taxes, which he said the people would be glad to pay, failure in the war stared us in the face.

Mr. GARNER. Probably the President would not have suggested the appropriations or the taxes either if it had not been for the war.

Mr. MOORE of Pennsylvania. I want to ask the gentleman from Texas if it is not true that, when the President was escorted in here, and from his high place yonder made his address to Congress, he said that for the fiscal year 1919, now about to close, he would need \$24,000,000,000? Am I right? Is that what the President said?

Mr. GARNER. Yes; and did not the gentleman from Pennsylvania vote for every appropriation necessary to make up the \$24,000,000,000?

Mr. MOORE of Pennsylvania. Yes. I am coming to that. I am not denying anything with respect to that.

Mr. GARNER. The gentleman seems to be criticizing the President of the United States because the appropriations were necessary and the taxes were necessary, and he excuses himself for voting for them on the ground that it was a necessity.

Mr. MOORE of Pennsylvania. If the gentleman will wait a minute—though I did not intend to go into all the details this afternoon—I intended to suggest that although I had confidence in the President of the United States and voted all the money he asked, I have not had complete confidence in the manner in which it has all been spent, and I am inclined to think there has been a great extravagance, which I have not approved. There were cantonments, some of them in the gentleman's own State. There were large Army contracts. There was waste in aviation—\$640,000,000 gone up in one lump-sum appropriation for the construction of airplanes. There were 1,500 or 2,000 young American aviators waiting in France for American aeroplanes in which to attack the enemy, but not a single combat plane was produced for the \$640,000,000. That money was spent, and there was no satisfactory return for it. And even though the President was forced to investigate it and did appoint an investigator and finally appointed the distinguished ex-justice of the Supreme Court, Mr. Hughes, who found that certain people ought to be court-martialed, yet those gentlemen are still walking abroad, applauded by their superiors in the War Department, are guests at banquets where songs are sung in their honor, the chief of them being whitewashed by the Secretary of War, who tells the public that aeroplanes tingle from the ends of their fingers. Yet our appropriation of \$640,000,000 went glimmering, and we never had a single combat plane in France, where for a time approximately 2,000 young Americans, trained for the purpose and waiting to serve, never had the honor of fighting in an American machine. Those are some of the reasons why I think it is fair to criticize the appropriations which, because of our confidence in the President of the United States, we voted for, though we taxed the people heavily to do it.

Mr. MADDEN. Did I understand the gentleman to say that \$640,000,000 had been expended for aeroplanes?

Mr. MOORE of Pennsylvania. Six hundred and forty million dollars in one lump-sum appropriation, and not a question asked, because the President said that amount was needed. We were told we must keep our mouths shut in Congress, though we were taxing the people almost to an industrial death, because if we asked how this money was going to be spent we might be "giving information and comfort to the enemy."

Mr. MADDEN. In order that the gentleman may get the correct figures into the Record, I should like to say that the total amount of money expended for aeroplane activities was a little over \$1,800,000,000.

Mr. MOORE of Pennsylvania. Why, of course, after they wasted the \$640,000,000 they came in and asked for \$800,000,000 more, and we were still told, "Ask me no questions. Give us the money." And the administration appointed men to high places to see that the money was honestly expended. If the gentleman from Illinois is correct, the extravagance has gone way beyond \$640,000,000—the expenditures up into the billions. That is the reason I say to my friend from Texas, who is always able in defending the Democratic Party and the administration, that we have a right to criticize the manner in which the administration has conducted itself, though we are respectful to the Commander in Chief.

Mr. GARNER. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. GARNER. The gentleman knew that \$640,000,000 had been spent without a single combat plane being constructed, and still voted for additional appropriations for the Aviation Service, did he not?

Mr. MOORE of Pennsylvania. Still having confidence in the President of the United States and reluctantly reposing some confidence in those whom he appointed to administer the funds.

Mr. BAER. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. BAER. I think it would be well for you to explain the amendment that you had to these appropriation bills, which would have provided for a committee to supervise the expenditures.

Mr. MOORE of Pennsylvania. I had not intended to say anything about that, because it might be charged that that was partisan, and yet I think it was not. Two amendments were offered to those revenue bills, by way of motions to recommit, asking for the appointment of a committee on expenditures to cooperate with the Commander in Chief—to cooperate, not to interfere—with the President of the United States and the heads of departments, in seeing that these moneys were properly and efficiently spent; and those amendments were de-

feated, because word came from the White House—the President then being an inmate of the White House [laughter]—because word came from the White House that to impose such a restriction upon the revenue bill would so embarrass and tie the hands of the President as to make him practically ridiculous before the nations of the world. Yet no less a man than Abraham Lincoln, whose memory is still dear to some of us, though sometimes there is danger of an eclipse—in the time of Abraham Lincoln Congress passed a resolution providing for the appointment of such a committee, and it visited the White House occasionally, which, I regret to say, our leading Democrats did not often do while the European war was on. [Laughter.] And they cooperated with the President, the immortal Lincoln, and from him they received much more encouragement, I am sure, than even my distinguished and eloquent friend from Texas [Mr. EAGLE], who now rises to put a question to me, ever received from the hands of the President whom he has loyally supported.

Mr. BLANTON. There are 18 gentlemen from the State of Texas. Which one does the gentleman mean?

Mr. MOORE of Pennsylvania. The distinguished gentleman from Texas to whom I have just referred. I said in the days of Lincoln Congressmen visited the President, and were received sometimes for purposes of consultation. I yield now to the gentleman from Texas.

Mr. EAGLE. If my good friend from Pennsylvania wants to have a row with me, whether I want it or not, I should like to say that I think fully as many members of the Democratic Party during the Civil War visited the White House when dear old Uncle Abraham was there as did the Republicans during the war that tested the life of the Nation when Woodrow was up there.

Mr. MOORE of Pennsylvania. The gentleman from Texas may have a more intimate knowledge of the events of 1861 to 1864 than I, but I am sure from everything I have read that President Lincoln welcomed Members of Congress and was extremely patient with them. And while he might have differed with some of them—the leader of the party, Thad Stevens, was that kind of a man who would force himself into the presidential office, whether invited or not—the immortal Lincoln conferred with the people's representatives even as our President, abroad now, confers with Clemenceau and Lloyd-George, the representatives of their Governments, about matters here, there, and elsewhere.

Mr. BLANTON. Will the gentleman now yield to the more obscure gentleman from Texas?

Mr. MOORE of Pennsylvania. I think the gentleman from Texas who began the controversy has not concluded; but having been compelled to rule favorably to the gentleman from Texas [Mr. BLANTON] the other day I yield again.

Mr. BLANTON. I think my good friend from Philadelphia, in which the most of this money was spent, ought to tell us how many prominent Republicans had anything to do with the expenditure of the money which he claims to have been wasted.

Mr. MOORE of Pennsylvania. I can not count them on the fingers of my two hands.

Mr. BLANTON. And in whom the President had confidence then, but I can not say that he has now.

Mr. MOORE of Pennsylvania. I want the gentleman to get this all in—whatever the gentleman knows about Philadelphia Republicans who have been unfair to the President of the United States should be put in the Record.

Mr. BLANTON. I did not mean Pennsylvania, but all over the country.

Mr. MOORE of Pennsylvania. The gentleman has heard of the cantonments in Texas, of which there has been much complaint, and of expensive Army camps which should be investigated.

Mr. BLANTON. I think there ought to be an investigation.

Mr. MOORE of Pennsylvania. The gentleman confirms my statement that they should be investigated. There should be an investigation of cantonments in Texas, of course; and I am willing that the investigation should be extended to Pennsylvania, New York, or any other State. If there has been corruption, if there has been crookedness, if there has been profiteering, if there has been devilry in Texas, the State from which the gentleman [Mr. BLANTON] comes, or any State, the Democratic Party is as much interested in it as the Republican Party. When it comes to the ordinary morals taught in the Sunday schools the gentlemen on the Democratic side are as well brought up as Republicans; they want no corruption or profiteering or crookedness under the guise of patriotism. I have sat by the side of the gentleman from North Carolina for some time; he does not swear; he does not drink; he has no bad habits except to smoke lamp lighters, which he manufactures himself.

[Laughter.] I have every confidence that he would be as delighted to have the matter of waste and extravagance investigated in Texas as in Illinois or New Jersey or elsewhere. I yield to my friend from Texas.

Mr. EAGLE. I had not asked to interrupt the gentleman, but I hope when he gets the investigation he will be very thorough with it, and he will find me voting with him to see if anything wrong was done at the Hog Island shipyard.

Mr. MOORE of Pennsylvania. I know the gentleman from Texas well enough to know that Hog Island is in his mind, and I hope when the committee comes to examine it closely neither he nor it will have fault to find with that great work of construction. If anything wrong has been done, I will stand with him for the punishment of the culprits who profited on the Government or who used the guise of patriotism to make money while our boys were fighting and dying abroad. I would be in favor of punishing them in the great States of New York and Pennsylvania as I would if it occurred in any other State.

Mr. EAGLE. None of the things that I have observed during the war gave me more profound satisfaction than the trip I made up the Delaware and witnessed at Hog Island the marvelous energy, concentrated intelligence, and wonderful achievements of American organization, American labor, in that matchless work, contributing so largely to win the war. I hope when the investigation shall be made, if ever it is made, on the published charges that wrongs were done in connection with that business, that it may turn out that nothing wrong was done in connection with the Hog Island shipyard.

Mr. MOORE of Pennsylvania. Mr. Chairman, I can not let this opportunity go by without saying that I have always found the gentleman from Texas [Mr. EAGLE] fair and statesmanlike in matters of this kind. His tribute to Hog Island is more eloquent than I could possibly make it, and I think is justified by the facts. At least I hope so.

If we proceed in this spirit, Democrats and Republicans alike, we may catch the crook, if there is one. We may punish him, and for the sake of American honor may purge ourselves of some of the charges that have been bruited about in the newspapers and elsewhere.

Mr. WINGO. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. WINGO. And for these reasons the gentleman has given he thinks this bill ought to pass. [Laughter.]

Mr. MOORE of Pennsylvania. Yes; I think the bill ought to pass, and I am rather pleased that the gentleman has suggested that I come to a speedy conclusion; but before doing so, since the Texan controversy has been so elucidating, I shall speak of another matter. I think I should say to my friends on both sides, and particularly to our new Members of Congress, that they must be on guard against propaganda. If there is one place on earth where the propagandist gets in his work it is in the Congress of the United States, and if there is one man above another to whom the propagandist will go and upon whom he will work his wiles, it is a new Member of Congress.

Just a word to our new brethren. If there is an old pension bill that is a stench to high heaven, that has been floating around the Capitol for 50 years, it is likely to bob up when some new Member of Congress arrives. It is not that the old soldier is being wronged, but it is that somebody who has had that old bill in tow thinks that because the new Member has been saying he is a friend of the old soldier he can unload that bill on him.

In tax matters it is very much the same way. When we are raising money—and I thank God that we never had to raise any by direct taxation during my experience here under a Republican administration—the same condition of affairs results. Professing patriotism, talking loudly about what they have been doing for the country, about their love for the flag and all that, interested parties will come before the constituted committee of Congress and say, "Yes; you have got to raise this money, but do not put it on that; that hits me. Do not put it on this; that touches my profits." When you come to take taxes down, as in this case, you will find the fellow next door coming in with his appeal, saying, "Take mine down, too; the war is over, why tax me?" One reason I am not quite in accord with the partisan suggestions of the gentleman from North Carolina [Mr. KITCHIN] when he indicates that we have followed blindly in these two or three bills the action of the Democrats in supporting them is that propaganda has been getting in its work. My experience of more than six years under a Democratic administration here has shown that one of the highest propagandists this country has ever known is the gentleman who guides the destiny of this Nation. He starts things. People then say the President said this or the President said that, and they are influenced by what they read of his sayings, but sometimes, having started something, the President

finds that the masses of people are against what he starts and then sometimes comes another address, indicating another change, because, with ear to the ground, our distinguished Commander in Chief has heard what the people have been saying. We have something like that before us now in this tax-repeal agitation.

Why are you hearing from your constituents all over the land about this revenue bill? Who is it who started the flood of telegrams that have been coming upon you during the last two or three weeks? Who is it that started the writing of letters from taxpayers in your district urging you to take the tax off this and the tax off that? Strangely enough it is chiefly the same high official of this Nation, who, according to the admission of the gentleman from Texas [Mr. GARNER], insisted that the necessities of war required \$24,000,000,000 up to the end of June next, including \$8,000,000,000 of taxes. It was he who demanded that we levy these taxes on the people. It was his Secretary of the Treasury, Mr. McAdoo, who came before the Committee on Ways and Means, and in a long and learned address to the committee stated that he and the President agreed that it would be absolutely necessary to raise \$8,000,000,000 of these twenty-four billions by a direct levy upon the people.

Gentlemen on the other side would endeavor to place the responsibility for these bills upon the Republican Party. I indicated the other day that this whole business had been dumped upon those who were coming into power. I repeat that the Democrats and the administration have endeavored and are endeavoring to unload the greatest burden of all history upon the Republican Party, which has come into power in this House in recent months. It was not of our choosing. To be sure, we voted when the President asked for money to give him money. We differed as to these bills and questioned them as they went in. There were many things in them to which we did not agree, but there stood the mandate of the man whom the people had chosen President of the United States, and there was his Secretary of the Treasury in daily contact with the Committee on Ways and Means, demanding that we hasten the passage of the bill that would carry \$8,000,000,000 against the people in order that twenty-four billions might be in hand before the end of June next.

When we followed instructions the people began to complain and those in power responsible for the estimates began to renege. There is no use mincing words about this. When the House bill got to the Senate, those in control at the Treasury began to yield. As to the luxury tax, they said, "Take that down." The Secretary, before the Finance Committee of the Senate, instead of standing up for the \$8,000,000,000 by taxes, began to talk about borrowing the money from the people, although we had been borrowing to the limit. Then they cut that bill down so that it would appear that they were not taxing the people \$8,000,000,000, as the President and his Secretary of the Treasury had indicated and directed. They cut it down by \$2,000,000,000, making it possible under that bill to collect only six billions for the current year and \$4,000,000,000 for the fiscal year 1920. The people had not taken kindly to the President's appeal for the election of Democrats because he could not trust Republicans. Yes, although they had appropriated the money as originally estimated, they reduced the 1919 taxes to \$6,000,000,000 and the 1920 to \$4,000,000,000. Oh, yes, the Democrats were constructive. They believed their President was constructive when he incurred the expenses and he was still constructive when he reduced the taxes. You can be against a ship subsidy and have no American merchant marine, but you can be constructive if you are willing to take the money for ships directly from the pockets of the people.

Republicans generally avoided that kind of constructive legislation. The President was against a good many other Republican propositions—against a tariff upon imports, for instance—he was not in favor of levying a tax upon the foreigner who sends goods into the United States to compete with us. Rather should we tax our people on what they produced to raise money for the war. It is easy to do big and daring things if you can tax the people to get the money to do it. Yes; you can be constructive with the money wrung from the people by taxation, but the Republican Party never indulged much in that kind of construction.

Mr. PLATT. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.

Mr. PLATT. Do I understand the purport of the gentleman's argument is that this bill is one unloaded on the Republicans by the Democrats?

Mr. MOORE of Pennsylvania. Yes; it was unloaded on us, but there was nothing else for the Democrats to do. They had reached the limit. The President said we would have to have

\$24,000,000,000 in 1919. The Secretary of the Treasury said we must have \$8,000,000,000 of taxes, and the Ways and Means Committee, under the direction of the gentleman from North Carolina, with Republican support, yes, went forward in good faith to raise that \$8,000,000,000. Then they did not face the people with such a heavy tax burden, and it was cut over in the Senate to six, and then it was cut to four. As I told you a day or two ago, my friends on the Republican side, we have got to meet \$10,000,000,000 appropriations next year, and if we have only \$4,000,000,000 in sight under the tax bill the Democrats left on our hands, and \$1,000,000,000 miscellaneous, we may have to make up a deficiency of anywhere from \$5,000,000,000 to \$6,000,000,000. That is our responsibility, and it was dumped on us while the people were led to believe the tax burden was to be steadily lowered.

Mr. GARRETT. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Tennessee.

Mr. GARRETT. I understood the gentleman to say, in answer to the gentleman from New York [Mr. PLATT], that this particular bill was one of the bills dumped upon his party by the Democrats. I should like to ask the gentleman how that happened. We assumed the responsibility of passing it through the House. It only failed in the Senate by a filibuster of three Republican Senators.

Mr. MOORE of Pennsylvania. I am glad the gentleman raised that question of a filibuster. I have heard it used here several times. It must be a rich morsel in the mouths of our friends upon the other side. It does not seem to worry even our new Members on this side; but if there was a filibuster over there, or if there were long speeches over there, it might have been intended to prevent the President of the United States from getting another \$5,000,000 to spend "over there" without taking us into his confidence. [Applause on the Republican side.] It might have been to save billions of dollars in certain large appropriation bills that this Congress intends to cut down, and which I may say the administration of the Republican Party will report minus certain very large and very attractive and very juicy appropriations and lump-sum appropriations for stocking-up purposes which the Senate did not want to pass.

Mr. GARRETT. Then the gentleman indorses the course pursued over there?

Mr. MOORE of Pennsylvania. I say, if it was to save enormous sums of money, I do not blame a few Senators for making a few speeches. If the President had not been so late in coming home to help the Congress of the United States do the business that he was elected to perform, and if he had not been so infernally anxious to get back again, we would not have been in the perplexing situation we are to-day. It was the President of the United States who controlled that whole situation. He could have called this Congress in session March 5 and have remained here until the appropriation bills were passed; but instead of that he preferred to go over there and make speeches challenging the Congress of the United States.

Mr. GARRETT. My friend, then, indorses the course which was pursued?

Mr. MOORE of Pennsylvania. Oh, not necessarily. I say I am glad they made a few speeches over there, because they brought out very interesting facts that the people wanted to know.

Mr. GARRETT. Will the gentleman yield further?

Mr. MOORE of Pennsylvania. We learned only yesterday that out of \$100,000,000 which we gave the President of the United States, he had allowed the Czecho-Slovak nation \$5,000,000, and if it had not been for some little inkling from the other side, not in a covenant openly arrived at, that he gave up \$5,000,000, we would never have known anything about it. I want to ask the gentleman from Tennessee if he, during his long and very useful career in this House, has been called in conference by the President of the United States more than half a dozen times since that gentleman has occupied the White House?

Mr. GARRETT. Well, I do not know that I remember the times. [Laughter on the Republican side.]

Mr. MOORE of Pennsylvania. Well, I will say that the President would be a wiser man to-day if he had called into consultation occasionally the distinguished gentleman from Tennessee. [Applause.] I am not flattering the gentleman from Tennessee when I make that statement.

Mr. GARRETT. The gentleman is very kind. But pursuing the line of thought of a moment ago, let me say to the gentleman if at the proper time it be desired to discuss what the President of the United States has done with the funds which were given to him by the Congress without any strings attached to them, of course we should be ready to discuss that. Mr. McKinley

was given \$50,000,000. There was never a suggestion of making an inquiry as to what he had done with that fund. Why? Because at the time it was given to him it was stated that no investigation and no question would ever be made of it. Do I understand that the gentleman from Pennsylvania, by the suggestion as to investigating the President's fund, means to impugn the integrity of his use of that fund?

Mr. MOORE of Pennsylvania. I will say to the gentleman that I have heard of \$100,000 given to Mr. Baruch to be spent for purposes not clearly explained. There has been a suggestion that many governments have been generous and kind to the President of the United States, and that it is the custom of potentates when they travel abroad or visit another's country to leave some token of their regard. Congress might not approve the expenditure of money in this way if called upon to do so specifically.

I question whether the people of the United States know all these things. I question whether even the newspapers have commented upon the simple statement made in the old Congress by the gentleman from Iowa [Mr. GOON], that the President granted out of the \$100,000,000 fund \$5,000,000 for the incorporation of a company in the State of Connecticut to do business in Russia. We can not understand why one Vance McCormick, Democratic national chairman at that time, should be connected with that enterprise. We do not know much about it, but we should know. It seems to me that the people generally would be better satisfied if the President, in whom we have shown confidence during the war, should tell the Congress of the United States something about these things. I do not want to embarrass him while he is over there. But I wish he was home. I believe it would be better for the people of the United States if he were back here now. When we are trying to get information about money we authorize him to spend, you can not blame us if because he remains away we ask that Congress be permitted to perform the business the Constitution requires of it.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.

Mr. ANDREWS of Nebraska. Mr. Chairman, I wish to say as to the disposition of the \$50,000,000 placed in the hands of President McKinley that it was distributed among the heads of the various departments in this Government, and the record is there to show what became of it.

Mr. MOORE of Pennsylvania. The gentleman, after he was in Congress before, and before he arrived this time, having been an auditor, knows whereof he speaks and does honor to the name of a great man. This country reveres the name of William McKinley. There was never a breath of suspicion against any expenditure made by him. But the trouble with the President is that from the beginning of his career in Washington, though in the first utterance he made to the public he said that his doors were to be open, they have been closed to Congress and to his own party. Even his leaders have not consulted him. He has done the most daring thing in the history of the world, leaving the Congress, leaving the people, and leaving the country for an indefinite period, attending as much to the business of the people of the world as he does to that of the United States, and at the cost of the United States. If our cost, according to the statement of the gentleman from Michigan who spoke here this morning, is true, is to be as great as that of England, we may well inquire about our trade routes. We talk about shipping and trade, but where is it? We have heard that at least one of our great Allies has not given up a single trade route nor lost one ounce of its foreign business since this war began. What about ours? Ours, it seems, is but to yield and to pay. We are to go on doling out millions, to be raised by taxation and to be taken from the people by loans, to do what? To encourage our love of humanity? To prove that the black man and the white man and the yellow man and the brown man can sleep in the same bed? That sounds like buncombe of the first class. The millennium is not here.

The nations supposed to be at peace on the other side are still struggling with each other. Judging from our mails each day, the battles of Europe seem to be transferred to the United States. We are expected to take up their quarrels here. We turn down little bridge bills on account of economy, a river here and a canal there, because you say it costs money, and yet we vote billions upon billions to lend to people on the other side to rebuild their roads, to build their bridges, and you appealing to Congress for yours. The President says our humanitarian effort is to go on until the last drop of American blood is shed and until the last dollar is spent. I do not believe in his time or in yours or mine we are going to see the realization of any such dream.

In my judgment, gentlemen, we are dealing with practical questions, and it is almost time, whether some folks like it or

not, that this Congress show its mettle and stand by its prerogatives.

You say we swallowed your Agricultural bill. We have not yet. We may have to swallow it. The President, having failed to call Congress in session until we were driven into a corner where we could not help ourselves, has put the majority to a great disadvantage. He still lingers on the other side, and it will take the ship so many days to go and so many days to return bearing the bill as we shall pass it in order to obtain his signature. He has got us handicapped going and he has us handicapped coming. We have got to get the bill to him, and he will have to get it back before the 30th of June. And I suspect some of the wise gentlemen on the other side knew full well the difficulty that the Republicans would be under in endeavoring to raze the bills they dumped on them and concerning which they endeavor to lay the blame upon the gentlemen over there who talk a little longer when they get the floor than we do at this end of the Capitol.

Mr. LEVER. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield.

Mr. LEVER. I think this is a very interesting performance, in view of the fact that the gentleman from Pennsylvania is complaining that we have not time in which to consider these bills. And yet the RECORD ought to show that he has spent nearly an hour in consideration of a bill and has not discussed the bill two minutes.

Mr. MOORE of Pennsylvania. How much more time have I, Mr. Chairman?

The CHAIRMAN. The gentleman from Pennsylvania has 15 minutes remaining.

Mr. MOORE of Pennsylvania. I want to assure my friend from South Carolina that I am as anxious to get back to the consideration of the Agricultural appropriation bill as he is, and probably a little more, but of course we like a full attendance when we take up the consideration of the Agricultural bill, in order that we can point out the varied Democratic imperfections in that measure. [Laughter.]

The President put up this \$24,000,000,000 demand to us in the House. We had a joint session of both branches of Congress here, and he told us what he needed. Before the Committee on Ways and Means we were told that \$8,000,000,000 must be raised by taxes. I will not go over that story again. But step by step they began to fall back. There was too much complaint arising from the people, and evidently the Democratic leaders thought among themselves, "We will wait until the Republicans get in and unload it on them."

Now it is done. Our distinguished citizen on "the other side" says he does not keep in very close touch with this side. But he knows pretty well how to start a propaganda. I am going to read a message that the President did not deliver here owing to the fact that by reason of a prior engagement he was detained in Paris. In his message—and this is the first message of the kind the President ever sent to the Congress of the United States, the May 20 message, sent here by cable, and I think it must have been a very expensive message, although the wires temporarily are Government controlled—and I wish the gentleman from North Carolina [Mr. KITCHIN] would give ear—

Mr. KITCHIN. Two—

Mr. MOORE of Pennsylvania. Two ears—

I hesitate—

Says the President—

to venture any opinion or press any recommendation with regard to domestic legislation while absent from the United States and out of daily contact with intimate sources of information and counsel.

In other words, he means to say: I have been unable to see my friend from Texas, Mr. GARNER, or my good friend from North Carolina, Mr. KITCHIN—I have been unable to mingle with the other leading gentlemen on the other side of the House, who could have given me valuable information—and being here alone, with nobody but Col. House to consult me—

I hesitate to express any opinion or press any recommendation with regard to domestic legislation while absent from the United States.

[Laughter and applause.]

Now, the President was modest about that, and we must give him credit for his modesty.

Mr. HARDY of Texas. Mr. Chairman, will the gentleman yield for a question?

Mr. MOORE of Pennsylvania. Yes; and I should have said that he would have been wiser to have called in also the gentleman from Texas [Mr. HARDY], but he says here that he had no chance to discuss questions with his intimate sources of information. [Laughter.]

Mr. HARDY of Texas. Is the gentleman discussing the bill before the House or is he taking a ramble and a crack at all creation? The latter, I presume. [Laughter.]

Mr. MOORE of Pennsylvania. No; I am dealing with the bill right now. The President, you understand, put the whole responsibility upon Congress. The gentleman from Texas [Mr. GARNER], and the gentleman from North Carolina [Mr. KITCHIN], and other faithful Members on the Democratic side called in their friends and said, "This must be done or we lose the war." Things like oil, which Democratic farmers use, were prudently omitted. I am not going into those matters very minutely. But after it was all done here comes the President—that is, by cable—after an absence of nearly six months, after he has imposed this great obligation upon us, after Republican and Democratic members of the Committee on Ways and Means alike, in good faith, had attempted to raise the money required; after the gentleman from North Carolina [Mr. KITCHIN], the gentleman from Texas [Mr. GARNER], the gentleman from Arkansas [Mr. OLDFIELD], and other members of that committee had stood right up to the rack and forced taxes right back upon their constituents, believing they were performing a patriotic duty—along comes the President's cabled message—

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. GARNER. How does the gentleman account for the fact that we were able to induce the gentleman himself, notwithstanding all his astuteness, and his colleagues on the Republican side of the Committee on Ways and Means, to join in all these measures?

Mr. MOORE of Pennsylvania. I had faith in the President of the United States and I believed that he needed the money that he asked for, and that it would be honestly expended.

Mr. GARNER. The gentleman admits that he did all these things that he has been complaining about for the last hour because he had confidence in the President.

Mr. MOORE of Pennsylvania. I had faith in the President and voted him the money.

Mr. GARNER. I understand the sum and substance of the gentleman's excuse which he gives is that he had confidence in the President.

Mr. MOORE of Pennsylvania. I would not have voted for any of these bills if I had not had an abiding faith in the President of the United States.

Mr. MADDEN. Faith is a matter that begins where reason ends. [Laughter.]

Mr. MOORE of Pennsylvania. I was greatly disappointed in the position he took with regard to the Panama Canal tolls. But that was before the war. The President said he wanted the money to win the war, and on that statement, as in the case of my friend from Iowa [Mr. GREEN] and my friend from Ohio [Mr. LONGWORTH] and my friend from Michigan [Mr. FORDNEY], I voted for those measures.

But after we had put this thing over, after the Democratic Senate had tried to save the face of the Democratic Party by making changes in the bill so that the people would not rise in rebellion, the President's latest message—his cabled message—arrived, and what did he say?

Many of the minor taxes provided for in the revenue legislation of 1917 and 1918, though no doubt made necessary by the pressing necessities of the war time, can hardly find sufficient justification under the easier circumstances of peace, and can now happily be got rid of. Among these, I hope you will agree, are the excises upon various manufacturers and the taxes upon retail sales.

Here was a new expression of the President, for whom we undertook to raise the \$8,000,000,000 in taxes. Had he changed his mind about that \$24,000,000,000? We had certainly spent it, or most of it. Why should it not be paid? Certainly the taxpayers who read that cheerful message would look to Congress for relief. The President did not say that the expenses are still on. He did not say that we do not have still to make enormous appropriations. He simply said, in effect: "Boys, I told you to put these taxes on; but seeing that the people do not want them, I advise you to take them off."

And so there comes a flood of telegrams from every corner of the United States saying, "The President says taxes are too high. The President says take the taxes off." My friends, that is an evidence of the manner in which a presidential mind that does not keep in close touch with the Democratic leaders can yet sense the popular will, even though far removed from home.

Mr. LEVER. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield to the gentleman from South Carolina.

Mr. LEVER. The gentleman admits that he followed the President when the President advised us to put these taxes on.

Mr. MOORE of Pennsylvania. I followed the President when the President made his war demands.

Mr. LEVER. And when the President advises us to take these taxes off he follows him again, which ought to be conclu-

sive that the President is right usually—that the gentleman still has faith in him.

Mr. MOORE of Pennsylvania. It ought to be known in South Carolina that the President forced us to impose these taxes. And now the President wants us to take them off, though the obligations still remain.

Now, getting down to this luxury tax, so called [laughter], the statement of the gentleman from North Carolina [Mr. KITCHIN] with regard to the parliamentary situation is exactly correct. The country was given the promise at the close of the last session, through both Houses, that this so-called luxury tax—which is paragraph 904, and which should be very carefully read, so as not to confuse it with other paragraphs of the bill—should be repealed. Good faith demands it. There is no other way, from my point of view. The conferees in the last session got into a tangle because of a situation that arose in the Senate, and they agreed to report back to their Houses, and both Houses practically agreed that that section, section 904, should come out.

The country was so advised and the people have been expecting it. Why? Not so much because of the administrative expense down here, but because of the damnable annoyance to every small dealer throughout the length and breadth of this land. I called up the Treasury Department a little while ago to find out just what the trouble was about this luxury tax, and it was explained that a small shopkeeper, a country grocer who is charged with the collection of this tax, is obliged to keep extra clerks and extra books and go to a great deal of trouble to figure out the tax on certain lines of sales, amounting to so much. It is such an unreliable tax as the gentleman from North Carolina [Mr. KITCHIN] referred to. You can not put stamps on it. You can not keep a check on it. It depends very largely upon the integrity of the dealer, and sometimes there is a gross imposition on the purchaser. It is a confusing and perplexing tax, that ought to be repealed. You may say that ice cream ought to go in; but bear in mind one thing, that presents a serious question for legislators. We have passed a prohibitory law. We have denied to ourselves the right to collect \$1,000,000,000 in taxes that we formerly derived from the sale of liquors. That is gone, and in consequence of its going ice cream and soft drinks have a rushing trade. Though we put the profit in their hands, we are asked to relieve them of taxes. Gentlemen ought to think twice, whether this is a matter of a little child eating an ice-cream cone on the sidewalk, as some gentlemen seem to think it is, or whether it is a matter of helping the profiteer. Have you bought any candy lately? Have you bought any ice cream lately? Have you bought any of those things that sometimes you can do without? If you have, you have observed that the price is almost twice as high as it was before. You have been told time and again that the war has practically closed; yet these gentlemen say the poor little child is paying this tax, and they want to be relieved of it, after the business has been put in their hands, by the legislation which took liquor out of the purview of taxation. There we have a loss of \$1,000,000,000, and no place to raise the money. We can not raise it out of the churches. We have got to have some substance out of which to raise the nearly \$10,000,000,000 that must be raised for administrative purposes next year.

Mr. REAVIS. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Nebraska.

Mr. REAVIS. The gentleman spoke of the intolerable irritation caused to small shopkeepers in the collection of this tax. I asked the gentleman from Michigan [Mr. FORDNEY] if that has furnished one of the reasons for the repeal of this section. He said that the tax had been in force such a short time that they had no information on it. What is the gentleman's information?

Mr. MOORE of Pennsylvania. My information is that certain small shopkeepers had to have new clerks, new books of accounts, and must do extra figuring to find out whether the amounts sold are taxable. We knew that this tax was going to be a nuisance when we put it on, but we put it on only because we were told that the French were obliged to adopt it and that the British Parliament was contemplating it.

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

Mr. GREEN of Iowa. Mr. Chairman, I shall only occupy the attention of the House a few minutes and then yield to my friend and colleague on the committee, Mr. LONGWORTH. What I intend to say will relate to the bill solely, for I do not care to discuss any other matters at this time, and I hope to give some reasons for the passage of the bill in a few minutes.

In the first place, I want to say that I have sat under the distinguished gentleman from North Carolina [Mr. KITCHIN] as chairman of the committee for a good many years. He was very

informing to-day, and gave excellent reasons for the support of this bill. He was also entertaining, as he often is, and one of the best things about his wit is that it never leaves any sting. While I was in accord with him in the most he had to say, I can not follow him entirely. He made a statement that he thought the Republicans on this side showed less confidence in the new committee than they did in the Democratic committee when it originated and reported the bill which was passed at the last session.

Unfortunately the gentleman got the matter turned right around. This bill was originally a Democratic bill and was passed by a Democratic House. The Republicans also, every one of them, voted for it, so far as they expressed themselves at all. But while the Members of the old Congress who voted for it may have some difficulty in explaining why they changed their vote at this time, I am not at all surprised that the new Members view the bill somewhat with suspicion, knowing its Democratic origin, and the fact that many mistakes and blunders were foisted upon us by the last administration.

Let us consider this bill and see why these taxes ought to be repealed. They have been called "luxury taxes." In fact, the articles taxed are necessities, and if there is any luxury about them it is in their cost above a specified sum.

Let me call attention to the fact that this particular section which is repealed by this bill is the only one in which a certain kind of accounts is to be kept, an account in which the merchant may have a dozen different kinds of articles, upon each of which is a different rate, and perhaps different classes of a particular article upon which there may be a different rate.

So notwithstanding it has been said that there is no difficulty in keeping accounts with reference to this tax, it has been found to be an extremely onerous burden.

Mr. PLATT. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. PLATT. The bill imposes a 10 per cent rate on everything; what is the difficulty?

Mr. GREEN of Iowa. The gentleman misunderstood me. A dealer has to make a computation on every article. The tax is different on each article because the price is different, and a separate computation has to be made on each one. He can not make it in the way that he can in other sections of the revenue law—by simply lumping his sales.

Mr. JOHNSON of Washington. That is the nub of the whole thing. Take a lady's purse, with the tax on a price above \$7.50. She pays 10 per cent on all that it costs above \$7.50.

Mr. GREEN of Iowa. Yes.

Mr. JOHNSON of Washington. Suppose the price is \$8.25. The purchaser pays a tax of 10 per cent on \$1.25. If the customer has it charged she must pay cash for the 10 per cent on the \$1.25. That is the way it runs out.

Mr. GREEN of Iowa. The gentleman is correct. It is impossible to make a charge account of the tax. It must be paid in cash. This makes it difficult to carry on a credit business in these articles. That is the way it works out. On caps the tax is an uncertain amount, depending on the price, on hats it varies according to the price, on shoes above such a price the tax is a different amount, and so on it goes all down along the line. The merchant has to make a calculation on every single article and upon different classes of the same article. The result has been that the merchant has frequently been obliged to have another clerk and must charge the expense to his customers by adding it to the articles pro rata. Gentlemen think it is easy to impose taxes so it will be fair, but this is a kind of tax that can not be imposed so that it will be fair. There is always difficulty in imposing a tax equitably, and there is more difficulty in a tax of this kind. There are all sorts of luxuries that are not taxed at all in this section. There is just as much reason why they should be taxed as the ones enumerated in this section. There are some articles we know ought to be taxed, if these are to be taxed. Such are women's dresses priced above a certain amount and men's clothing costing a certain amount. Yet a woman may pay \$5,000 for a dress or a man \$200 for a suit of clothes without paying any tax at all. Some gentlemen say that that does not make any difference to them, they care nothing about that, but the Committee on Ways and Means was more or less influenced by the inequities in this schedule after it came back to us from the Senate. I did not vote for this tax when it was first presented with the same theory that was advanced by the Secretary of the Treasury in support of it, viz, that it was going to keep down the purchase of luxuries. I did not believe it would, and I do not believe it has to any great extent, although it probably has interfered with some sales.

I voted for it at that time because we were in the throes of war and it was absolutely necessary that we should have all

the money which could be raised, either from taxes or bonds or in any other way; and, as far as I could see at that time, if we kept on with the war expenditures at the rate they were being created by the administration for another year we would be absolutely bankrupt, in spite of anything we could do. That is the reason I voted for it in the first instance.

Then this bill went over to the other body, which they say we can not mention here. In the course of its travels it came back very sadly butchered up, with very important parts of it left out. Members said that they would not vote for the bill in that form, but the answer was made to them at that time that they should not pay any attention to this; that we were going to repeal the luxury taxes; and so the word went out to the whole country, the pledge of the whole Congress at that time, that these luxury taxes named in this section were going to be repealed. In pursuance of that announcement, which everybody understood and upon which a large number of Members based their votes at that time, this bill, in practically the same form in which it is now—

Mr. LONGWORTH. In exactly the same form.

Mr. GREEN of Iowa. My friend from Ohio corrects me—in exactly the same form—was brought before this House at the last session and, without one solitary dissenting voice, everybody said these taxes should be taken out under the circumstances. They were not fairly apportioned; they were not in the form they ought to have been levied; they did not equalize burdens among the people or among business men. I could stand here, if I had the time, and show you the faults and difficulties inherent in the tax which made us extremely reluctant to pass it originally. I think there was not a member of the committee that was satisfied with it when it was introduced, and we were still less satisfied with it when it came back from the Senate as a part of the revenue bill; but we had to pass the bill before March 4 or the consequences would be very serious.

Then the repealing measure came up here, and under these circumstances this House unanimously passed this same bill, and now again the matter comes before the House, and Members say, "Why should people spend their money in that kind of way? Why should anyone buy things he does not need?" Are we going to tax everyone in this country who purchases things he does not need and might get along without? If we are, we will have to go into a very wide circle and take in ten times as many articles and matters as we have considered in this section, which we now seek to repeal. The fact of the matter is that this whole section was illogical from the beginning. It was not necessary in time of peace, and its only justification could be that it was passed in time of war, in time of stress, in time of peril, when we had to have the money. Now, in pursuance of the pledge heretofore given, we have brought in this bill for repeal, and we think it ought to pass.

I know we need the money, but we ought to collect it in a way that would be more equitable than the provisions of this section which is sought to repeal; but some will say, "Why not amend the section?" I will tell you why. Because there are not three gentlemen in the House that could agree as to just what articles are luxuries and at just what point these necessities which are included in this section became luxuries by reason of the price fixed upon them. There is not a gentleman present who is not the possessor of some article which is not a necessity and yet is not taxed; yet this section which we now propose to repeal contains nothing but necessities, and in many cases necessities, pure and simple, are taxed. As the gentleman from Washington well says, "Why should the loggers and lumberjacks of my State, who are compelled to wear flannel shirts, pay a tax on that article, which is an absolute necessity to them?" Why should a man whose work compels him to wear a pair of high boots pay a tax on those boots because they cost over \$10? A hat costing more than \$5 at present is a luxury under the law, but a matter of economy if the wearer has it cleaned and uses it other seasons. While I never had a pair of \$10 shoes in my life, many gentlemen claim to me that it pays in the long run to buy the more expensive article in this line.

I think there is no question but that, as prices now run, if one has the money—which I have not—to buy a carpet above the price specified in this list, it will last enough longer to make an economy, instead of a luxury; but be that as it may, why should carpets, which are used most largely by people of moderate means, be taxed, while imported rugs, which I have seen sold in this city at prices running up into the thousands of dollars, be entirely free from the tax? As to an umbrella, how are you going to get a good one for less than \$4? I do not buy any that costs that much, because I lose them, and a \$2 one is just as good to lose as a \$4 one. Why should a smoking jacket or lounging robe be taxed? It saves the use of another coat and

is very much more comfortable. This particular tax is a tax on the privilege of making oneself comfortable. To be sure, we could go in our shirt sleeves; but some of us last winter could not get our apartments well enough heated for that purpose. I will admit that any man who wears silk hose ought to be taxed, but can we not allow the ladies the privilege of wearing silk hose without paying the tax? Under the law that now stands, they will have to pay or go without. There is one redeeming feature: They will have to pay in advance for them, and can not get the amount charged to their husbands, under this law. A valise or suitcase that costs in excess of \$25 looks pretty high until you visit some of these places where they carry a really good article, and, in accordance with the spirit of the times, have doubled or tripled the prewar prices. I never had such an article myself, but if I wanted to get one that would last, I would have to pay it. Of course, fans ought to be taxed. I suppose the gentlemen will claim that there ought to be a tax on the privilege of keeping cool, unless you are willing to carry a palm leaf. I never had such articles as pajamas, so I am quite willing that people that do wear such articles should be taxed, and I know all my farmer friends will join with me in this, but those who wear them insist there is no more reason for them to be taxed than a nightshirt.

The fact is that when we go over this schedule we find that it is full of inequalities, which, in some instances, verge on absurdities.

It is claimed that this schedule will produce ninety to one hundred million dollars' revenue. I have never believed it would produce one-half that amount, and if there is as much difficulty in collecting it as the Bureau of Internal Revenue claims, the net receipts from it will be almost nothing. I shall have to say, however, that there is no way of determining just how much additional expense is caused to the department by reason of these provisions, as those who have to enforce it are also used in enforcing other provisions. It can, however, be seen at a glance that there is no way of simplifying this tax.

We can not provide that it shall be paid by means of stamps or through tickets or by a tax on gross sales, nor is it practical to put it upon the manufacturer. Consequently the process of keeping a record of the amount due by the party who sells the articles, and the work of the Treasury Department in seeing that he does keep a proper record and make a proper return becomes very burdensome to both.

Then the tax discriminates between different kinds of business. The man who has a hat and cap store is at a loss to understand why his business should be taxed, when next to him is a high-class grocery store, containing all kinds of luxuries, and catering to those to whom expenses are no object, with no element of necessity connected with it, and yet no tax is paid. He feels that he is treated unjustly when a dealer in women's dresses returns no tax. If luxuries are to be taxed, he wonders why, if necessities become luxuries by reason of the price, that there is no tax upon houses that cost around a million dollars—and we have plenty of them in New York and Washington. Naturally he thinks it would be better to put a tax on a man that keeps extensive grounds for his own recreation, as this seems to him to be purely a luxury. In fact, as he looks about him he observes that there is no tax where money is wasted most, and that the tax is only imposed on these articles which are in themselves necessities, with every person differing as to the point where they cease to be necessities and become luxuries.

These reasons are presented as forming good grounds for the repeal of this luxury tax; but this bill, in fact, is not a Ways and Means Committee bill. It is the bill of the conference of the Republican Members of the House, which directed the Ways and Means Committee to introduce it. The committee does not, therefore, feel that the principal responsibility of this bill rests upon it, nor, if the bill is voted down, will it feel that one of its own measures has been defeated. On the contrary, its conclusion will be that the Republican Members have either become stampeded by the cry that this is a Democratic bill or there is so little unity among the Republicans that they are unable to take a definite position and adhere to it.

Mr. LONGWORTH. Mr. Chairman, this debate has taken a very wide range. We have discussed the President of the United States, and we have discussed potash and lumber and various other matters. I want, as the saying is, to get down to brass tacks, and to show, if I can, that every man here, on whichever side of the aisle he happens to sit, is amply justified in voting for this bill. Perhaps I can best illustrate the reason why it was originally adopted by reading from the recommendation sent by the Treasury Department to the Committee on Ways and Means with reference to the imposition of all these luxury taxes, and to show that this, in the opinion of the Treasury

Department and of the Committee on Ways and Means, is a tax which stands absolutely by itself, both as to method and as to substance. Having given reasons and suggestions for putting taxes on certain luxuries, this report goes on as follows:

It is believed, however, that the rates here suggested could be imposed without seriously injuring the producer or so reducing consumption as to impair the revenue. The rates, in short, are not beyond the maximum point of yield.

That covers every possible form of luxury tax except the taxes provided by section 904, which taxes stand by themselves, as will be illustrated by the next paragraph, which I shall read to you:

The retail sales tax, however—

This tax—

raises a different set of considerations. That tax is recommended not only to raise additional revenue but for the equally important purpose of discouraging wasteful consumption and unnecessary production.

Mark that particularly. The object of this tax never was so much to raise revenue, although it was expected to raise a substantial amount, as to prevent wasteful expenditure and production of these articles, which, after reaching a certain price, are not necessities at all.

For instance, it was undesirable in time of war for women to be buying expensive dresses; it was undesirable for men to be buying expensive suits of clothes or shoes or what not, because by the unnecessary expenditure they thereby deprived themselves of a certain power to buy freely of Liberty bonds and otherwise contribute to the war cost. What was the other reason? To prevent unnecessary production; to prevent people from manufacturing at all these articles which were not real necessities. Take, for example, this beautiful suit of clothes which I have on to-day. I do not remember how much I paid for it. It was bought a long time ago—long before the war. I am not so much up to fashion as the gentleman who has just addressed us. As I recollect, it cost me about \$65. Now, what is the use, in time of war, in expending as much as \$65 on a suit of clothes? Moreover, why should men engaged in the manufacturing of expensive clothes and other similar luxuries produce articles of that sort when their productive capacity could be better employed in producing articles of absolute necessity for war purposes? So it was deemed at that time advisable to prevent, or at least discourage, the production of such things as these and other high-priced articles which were not necessary. This was a war tax—a war tax pure and simple. It was imposed largely to prevent not only wasteful expenditure but the production of such articles as were not necessary for war purposes. But to-day, gentlemen, that necessity has absolutely ceased. It is a wise thing to encourage production to-day of all sorts of articles, whether necessities or not. It gives people employment. It is a wise thing, also, to encourage expenditure, so as to diffuse money among the people of the United States. I will proceed a little further with this reading:

It would be superfluous, at this stage of the war, to dwell upon the fact that waste and extravagance are akin to treason.

This was to prevent waste and extravagance in time of war. To-day the necessity for that has ceased.

We pay lip homage to this truth, but we neglect its practice. We are not cutting our personal budgets sufficiently to make the excess of national production over national consumption equal to the needs of the Government. The retail sales tax distinctively labels the taxed article as luxurious and serves notice that the Government's ban is upon it.

In other words, the Government was trying to put a ban upon the purchase and the production of the articles described in section 904.

The really needy consumer—

Mark this—

The really needy consumer is amply protected by exempting from the tax those classes of articles which the poor actually buy or need to buy. Other articles must be taxed vigorously if the tax is not to be interpreted as legitimatizing extravagance.

In other words, I do not for a moment rest the necessity for the repeal of this section on the proposition that it will benefit the poor taxpayer. I have no means of knowing how many persons, what percentage of our population, is taxed under this section at all. I imagine it is insignificant; that it is an insignificant percentage.

Mr. JOHNSON of Washington. If the gentleman will permit, I think the gentleman is a little in error in his language. For instance, in the Pacific Northwest, where our great logging industry goes on, every logger pays more than \$10 for his boots.

Mr. LONGWORTH. I assume that is true of a good many cases, that the poor man pays the tax under this section, but I do not rest my contention on that proposition. I rest it mainly on two grounds: First, that the expense and the trouble of collecting it is almost infinite. They have had to organize a new

bureau in the Internal Revenue Department whose only function is to administer the taxes under this section. I do not for a moment agree with the chairman of this committee in his estimate that the net return from this section will amount to anything like \$85,000,000 or \$100,000,000. I think that when the expenses of this have been paid it will be found that a comparatively small net revenue will come to this Government from this tax.

Mr. JEFFERIS. I would like to inquire if the gentleman can give any information as to the number of employees the Revenue Department has found it necessary to employ to look after this tax and the cost thereof?

Mr. LONGWORTH. I can not give the gentleman that information. I do not know accurately. I do know that they have had to form a bureau for the purpose. Of course, it has been very difficult to say how many men will be necessary, because the tax has only been in operation for about a month. I think it went into effect, as I recall, on the 1st of May, less than a month ago, so it is entirely impossible to judge, but I have been informed at the departments and by revenue officials that they are only beginning to realize the enormous number of employees that it will be necessary to have all over the country even to pretend to stop the evasion of this law. Now, I think, this argument can be legitimately made in the interest of the poor taxpayer. I have no doubt the fact would develop if this law was enforced some considerable time, in view of the fact every retailer of this country will have to add to his cost of selling both by the additional accounting in the case of these particular goods and by the employment of a number of additional clerks to make these returns, that he will take it out of the customer on other articles.

He will take it out on articles of absolute necessity, and will be forced to do it in order to pay the additional cost of keeping proper books and employing additional clerks.

Mr. HAUGEN. I understand the gentleman to say that the tax on the better-quality and higher-priced articles—for instance, shoes—was intended as a ban upon production of a better quality of shoes, for instance?

Mr. LONGWORTH. Yes.

Mr. HAUGEN. Is the country now to understand that the 2-cent tax on a 15-cent plate of ice cream is a ban upon ice cream?

Mr. LONGWORTH. No. At the very outset of my remarks I said this section 904 was intended to be an entirely different proposition than any other tax; was intended as a ban, whereas the tax on ice cream and soda water was intended to be only such as the traffic would bear.

Mr. HAUGEN. Where is the distinction? One is a revenue and the other is a ban?

Mr. LONGWORTH. Did the gentleman catch my reading of the Treasury recommendation?

Mr. HAUGEN. No; I did not.

Mr. LONGWORTH. I commend it to the attention of the gentleman, because it is the very foundation of this whole argument. Let me say this, that the purpose of the tax referred to by the gentleman is only to get revenue, while this is mainly for the purpose of discouraging the sale and production of the article.

Mr. HAUGEN. As an illustration, one who buys a pair of silk stockings at \$3 pays a 10-cent tax, and the school children buying five plates of ice cream pay 10 cents. The revenue is the same and the tax is the same.

Mr. LONGWORTH. But the object of putting the tax on was entirely different.

Mr. HAUGEN. But the intention was the same.

Mr. LONGWORTH. The intention of putting the tax on ice cream and other drinks was to get revenue only, and so the tax was placed low enough that it would not discourage the business. I introduced a bill on the first day of the session, and so far as I know, no one else has, to repeal section 630, which is the tax on ice cream and soda water. [Applause.] I intend to press that bill for early passage, and I believe the Ways and Means Committee will take that bill up, together with other consumption taxes, and we will bring in a comprehensive bill before long and repeal these unjust consumption taxes.

Mr. HAUGEN. Will the gentleman inform the House why this great Committee on Ways and Means should report a Democratic bill word for word instead of the bill introduced by the distinguished gentleman from Ohio?

Mr. LONGWORTH. I will say to the gentleman that I do not call this a Democratic bill. I supported it as a war measure. I saw no politics in it then, and I do not see any now.

Mr. HAUGEN. It was brought in by a Democratic Congress.

Mr. LONGWORTH. It was brought in by a Democratic Congress, and I voted for it, as did the gentleman. Let me repeat

that it was the exact bill that was passed unanimously by this Congress in the closing days of the session.

Mr. REAVIS. Let me say to the gentleman that we have an agricultural bill before the House that is infected with the same virus.

Mr. HAUGEN. I beg the gentleman's pardon. As to the bill referred to the gentleman is mistaken. The bill went to the Senate, and the bill reported by the Agricultural Committee cut \$5,000,000 out of it. That is the difference. Here you have the bill word for word.

Mr. GREEN of Iowa. In connection with what the gentleman said in reference to the effect of these taxes on the poor man, does not the gentleman recognize where we levy taxes of this kind on a large number of articles that inevitably, while it is called a tax on luxuries that we have been reaching for in this particular case, we reach absolute necessities?

Mr. LONGWORTH. Absolutely. The name "luxury tax" in this section is a misnomer. Every article described is a necessity needed in the daily life of the people, and they are only regarded as luxuries after they get beyond a certain price. This tax has never existed in this country in time of peace and never ought to, for it is a tax to prevent production, and to-day we ought to encourage production and give employment to the people of this country.

Mr. REAVIS. If this section was a penalty rather than a revenue measure, why was it not made prohibitive?

Mr. LONGWORTH. Well, that question arose in other instances. The gentleman will recall that an amendment was offered by myself in committee, and the committee adopted it, to put a prohibitive tax on platinum.

There is another and almost similar instance in principle. We should have a prohibitive tax on platinum used in jewelry in time of war. But the moment the armistice was signed the necessity for that tax ceased, just as it has in this case.

Now, in regard to this bill, gentlemen, there seems to be some little misunderstanding. This exact bill was reported unanimously from the Committee on Ways and Means, and I do not care whether you want to call it a Democratic bill or a Republican bill. The Committee on Ways and Means had no politics in the last session of Congress, and it ought not to have politics on such matters as this now. [Applause.] The bill was reported and passed after a few minutes of debate without a word of protest. It went over to the Senate, and the only reason why it did not pass the Senate was the fact that they undertook over there to load it up with amendments.

They put on an amendment taking off the tax on furs, and they even went to the extent of putting on an amendment to that bill, which was in the form of a resolution, conveying felicitations to the President of the United States and hoping for his safe return to this country—hardly a germane amendment to such a measure as this. But another reason, in my judgment, emphasizing the necessity of passing this bill now is that it was mutilated in the Senate in cutting out men's and women's clothing. There is no justification for taxing a man on a \$10 pair of shoes and not taxing him on a \$50 suit of clothes. That is another reason why we should repeal the whole business.

Mr. FORDNEY. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. I yield, of course, to the gentleman from Michigan.

Mr. FORDNEY. In answering the question asked by a gentleman as to whether or not this is a Democratic bill, I want to say that I introduced this bill, and I copied word for word the bill introduced at the last session by the gentleman from Ohio and one introduced by the gentleman from Pennsylvania [Mr. Moore]. Now, if it is a Democratic bill, it was a Democratic bill when introduced then by Republican Members. Word for word, this is a copy of the bill introduced by those gentlemen.

Mr. LONGWORTH. I recall the fact that the gentleman from Pennsylvania and I introduced those bills exactly at 12 o'clock on the opening day.

Mr. MOORE of Pennsylvania. And is it not a matter of good faith, considering the action of both Houses and the notice given to the public and the general understanding?

Mr. LONGWORTH. Entirely so, I will say to the gentleman from Pennsylvania.

Mr. PLATT. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. PLATT. Would the gentleman say there was no longer any reason for the practice of thrift among the American people?

Mr. LONGWORTH. I would not say there is no reason for the practice of reasonable thrift. I certainly do not believe it is wise now to limit the production of any article in this country, because the production of a valuable suit of clothes or a pair of boots encourages American labor, and I want to see American labor encouraged.

Mr. PLATT. The tax was increased from 10 to 20 per cent, was it not?

Mr. LONGWORTH. I do not know whether 10 per cent would discourage it to any great extent or 20 per cent, but—

Mr. PLATT. Nearly all the complaints, as I understand, come from wholesalers and manufacturers, and not from consumers.

Mr. LONGWORTH. I think it is certain that the repeal of this tax will be of direct benefit to the poor people of this country, not directly, because they are not subject to the tax, but, as I have explained before, because inevitably they will have to pay higher prices for other articles in order that retailers may be able to pay the additional expense that the payment of this tax will cause them. I think there is no question about that. So that from that standpoint; from the standpoint just stated by the gentleman from Pennsylvania [Mr. Moore]; from the standpoint of view that this is not a proper tax in time of peace, because we ought not in time of peace to attempt to limit either large expenditures or production; from the standpoint, too, that it was the unanimous act of this House before and would now be the law except for the fact that the Senate undertook to add certain amendments to it, this bill ought to pass unanimously. I hope that amendments will not be offered, but that it will be permitted to pass at once, and every man here, on either side of this House, can amply justify his vote upon it.

Mr. McCULLOCH. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. McCULLOCH. Is it the proposition of the committee, of which the gentleman is a member, to give consideration to the other luxury taxes?

Mr. LONGWORTH. Unquestionably. As the gentleman from Michigan [Mr. Fordney] said this morning, a number of these bills have been introduced, and they have been referred to the Treasury Department for report.

Mr. McCULLOCH. I am interested to know why this particular bill was made a special order. Does it not leave a wrong impression on the country to make this bill a special order in preference to the others?

Mr. LONGWORTH. I tried to show precisely the contrary of what the gentleman suggests. In the first place, it is a system of taxation entirely by itself. In the second place, it was admitted by this House unanimously that such taxes as this, which are unexampled in our history, which have no example anywhere except in France as a pure war tax, ought not to continue for a moment when this country was not actually in war. The opinion of the House on the subject was unanimous, and I really am surprised that so much question has been made about it to-day.

Mr. McCULLOCH. Will the gentleman yield for a further question?

Mr. LONGWORTH. I yield.

Mr. McCULLOCH. Will Members be able to say to their constituents that the members of the Ways and Means Committee will take up soon the question of repealing these other luxury taxes, or will it take a long time?

Mr. FORDNEY rose.

Mr. LONGWORTH. I yield to the gentleman from Michigan to answer that question.

Mr. FORDNEY. I stated this morning, and I will restate now for the benefit of those who were not present, that there are bills and requests before the Ways and Means Committee to repeal the automobile tax, the tax upon furs, the tax upon jewelry, and the tax upon soft drinks and ice cream, candy, and various articles that are covered by other sections of the law. The committee wish and intend to take up the consideration of those requests at as early a date as possible. We were requested, however, not to act upon those matters until we received some further information from the Secretary of the Treasury and from the Commissioner of Internal Revenue, and for that reason passed those other matters over until some other time, when the committee can meet and consider them.

Mr. McCULLOCH. Does the gentleman think it will take a long time to do that?

Mr. FORDNEY. No; I do not think it will take a long time.

Mr. SIMS. Why not wait and put them all together. This can be recommended to the committee.

Mr. FORDNEY. That is the gentleman's view; but the repeal of this section 904 will repeal a tax of \$100,000,000 in a total of \$350,000,000 consumption taxes, and it is a pretty good step forward toward doing the thing that our party two weeks ago in conference agreed to do and directed this committee to set to work to do. We have done this work as quickly as possible, and will get to the others as quickly as we get the necessary information.

Mr. LaGUARDIA. Will the gentleman from Ohio yield to me?

Mr. LONGWORTH. Yes.

Mr. LaGUARDIA. The gentleman has expressed a hope that no one will introduce an amendment. Inasmuch as I have an

amendment in my hand, I want to know why a proposition to repeal section 630 along with 904 would embarrass or hamper the passage of this bill, inasmuch as everybody who has spoken to-day on this bill seems to be in accord that section 630 ought to be repealed and will be repealed.

Mr. LONGWORTH. I will give the gentleman the positive assurance, so far as I am concerned, having originally introduced that bill, that I will press it for passage, but I do not think it ought to be tacked onto this bill, even if it could be done in a parliamentary way, which I am convinced it can not.

Mr. MOORE of Pennsylvania. Since the gentleman from New York [Mr. LAGUARDIA] has pressed the gentleman from Ohio [Mr. LONGWORTH] to make this statement, the gentleman from Ohio might fairly ask the gentleman from New York what he proposes as a substitute for the \$21,000,000 that would be taken away from the revenue of the country?

Mr. LAGUARDIA. We might repeal war-time prohibition for one thing.

Mr. MOORE of Pennsylvania. Having lost a billion dollars in taxes by prohibition, I will ask the gentleman where we can make up that billion dollars?

Mr. LAGUARDIA. Do not let us make it up by imposing a tax on the innocent little children down in the tenements who want to eat ice cream in the summer.

Mr. MOORE of Pennsylvania. Would the gentleman put it on the dealer in soda water, who has the cream of the business, now that the liquor dealers have been put out of business?

Mr. LAGUARDIA. I do not care where you put it as long as the burden does not fall on the innocent little children who need to eat ice cream as a necessity in hot weather.

Mr. MOORE of Pennsylvania. Is the gentleman thinking about the little children or is he thinking about the dealers who are going to double the price for selling it to the little children?

Mr. LAGUARDIA. I do not know about that.

Mr. MOORE of Pennsylvania. Does not the gentleman know that ice cream costs more now than formerly, and a great deal more of it is sold now than formerly?

Mr. HAUGEN. Will the gentleman from Ohio yield?

Mr. LONGWORTH. Yes.

Mr. HAUGEN. Can the gentleman give the House any information as to the present condition of the Treasury, the number of outstanding bonds, and so forth?

Mr. LONGWORTH. I can not offhand. I have not seen a recent statement, particularly as to the outstanding Treasury certificates. I am prepared to admit, though, if I get the import of the gentleman's question, that it is not such as would justify the destruction of present sources of revenue except after thorough investigation and deliberation. I will say this to the gentleman from New York, that I should feel it my duty on this occasion to make a point of order against his amendment, even though I am as anxious to have it eventually passed as he. I think a number of these consumption taxes should be either repealed or amended. I will give the gentleman another instance where the tax falls heavily on the small boy—10 per cent tax on sporting goods. To my mind it is utterly indefensible that baseball bats, baseball gloves, and things of that sort should be taxed 10 per cent which has to be paid by the American boys, while American ladies who buy expensive jewelry only pay 5 per cent. All these questions are to be taken up and given careful attention by the Ways and Means Committee. But you must always keep in mind that no matter how wise it may be to abolish eventually consumption taxes, in view of the present condition of the revenues we have to go fairly slow and know just where we are going.

Mr. SIMS. Will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. SIMS. Everyone must admire due caution and look to the Treasury, but here is one single item where we take eighty-five to one hundred millions off the taxes of those who can pay it and let the buyers and consumers who pay other consumption taxes wait while the committee deliberates. Why should they not all go together? Why not refer the bill back to the committee and let the committee bring in a bill dealing with all of them?

Mr. LONGWORTH. Let me ask the gentleman from Tennessee to remember that he voted to make this the only tax to be repealed in the closing days of last session.

Mr. SIMS. I do not think the gentleman knows how I voted on it.

Mr. LONGWORTH. The gentleman did not vote against it.

Mr. SIMS. I never heard of it.

Mr. LONGWORTH. The gentleman is so attentive to matters of legislation that I am grieved and surprised to know that such a piece of important legislation could be passed in the last session without the distinguished chairman of the Interstate and Foreign Commerce Committee knowing about it.

Mr. SIMS. I was giving attention to another and more important piece of legislation.

Mr. LONGWORTH. If any other gentleman had intimated or insinuated that the gentleman had allowed anything to get by him, I would have repelled the charge with indignation. [Laughter.]

Mr. HULL of Tennessee was recognized.

Mr. LEVER. Will the gentleman from Tennessee yield long enough for me to make an inquiry of the gentleman in charge of this bill?

Mr. HULL of Tennessee. Yes.

Mr. LEVER. Does the committee intend to take up any other bill to-day?

Mr. FORDNEY. I want to finish this bill. I do not think that there will be any other bill taken up to-night.

Mr. HAUGEN. Will the gentleman from Tennessee yield?

Mr. HULL of Tennessee. I will yield to the gentleman.

Mr. HAUGEN. Mr. Chairman, I desire to say that we have pending before the House legislation of greater importance than that under consideration to come on immediately after its passage. I yielded to the gentleman from Michigan with the understanding that this bill would most likely be passed in at least two hours. The gentleman said he would take 15 minutes in discussing the bill. It is now nearly 5 o'clock and five hours have been consumed in general debate.

We have the Agricultural bill pending of more than 90 pages, carrying about \$32,000,000, which will have to be passed or the Republicans will have to stand guilty of that for which we have charged the Democrats in the past—incompetency. [Applause.] If we are going to transact business and demonstrate our competency, let us do it. We have been here for five hours, and, so far as I have observed, not more than 10 minutes has been devoted to the discussion of the merits of the bill. We have a bill carrying \$32,000,000 for the benefit of 6,000,000 farmers and 6,000,000 laborers tilling the soil and a hundred million consumers of this country, with a shortage of food production and a great necessity for this legislation. Are we going to fritter away the time reducing the tax on silk stockings and cutting down the revenue that gives us \$100,000,000 and putting nothing in the place of it? Gentlemen, I suggest an agreement as to the closing of general debate so that this matter may be closed to-day. [Applause.]

Mr. FORDNEY. Will the gentleman from Tennessee yield?

Mr. HULL of Tennessee. I will yield the gentleman from Michigan a minute.

Mr. FORDNEY. Mr. Chairman, I have no desire to delay any other legislation. I am ready and willing to vote on this bill now, and I stated so when I first spoke. I only occupied four or five minutes in explaining the bill, and from that time on I was answering questions. As to what legislation may follow after we pass this bill I do not know, but I am anxious to close debate now.

Mr. LEVER. Will the gentleman from Tennessee yield?

Mr. HULL of Tennessee. I will yield a minute to the gentleman.

Mr. LEVER. I desire to call attention to the fact that the gentleman from Pennsylvania [Mr. MOORE], who has spent three days fighting the Agricultural appropriation bill, took a whole hour, and it looked to me almost as if it was a deliberate filibuster against the Agricultural appropriation bill. [Applause.]

Mr. MOORE of Pennsylvania. Will the gentleman from Tennessee yield me a minute?

Mr. HULL of Tennessee. I yield one minute to the gentleman from Pennsylvania.

Mr. MOORE of Pennsylvania. Mr. Chairman, the rather gratuitous statement suddenly injected by the gentleman from South Carolina [Mr. LEVER] should be answered to this extent, that the speech of the gentleman from Pennsylvania [Mr. MOORE], while it may have lasted an hour, was due to the fact that the gentleman from North Carolina [Mr. KITCHIN] had assailed the gentleman from Pennsylvania and others for at least one hour previously.

Mr. HULL of Tennessee. Mr. Chairman, I agree entirely with the very pointed remarks of the gentleman from Iowa [Mr. HAUGEN], and I must say that I was in the act of making a similar statement when the gentleman from Iowa arose and made it much more forcibly than I could have done. I think it unfortunate that with the innumerable problems confronting the House and Congress which we have at this time a certain limited number of gentlemen persist in their efforts constantly to play politics. I was both sorry and disappointed to hear my friend from Pennsylvania [Mr. MOORE]. I admire him very much personally. He is affable, genial, and exceedingly versatile. He is just as versatile when speaking in the field of fact as in the field of fancy or in the field of fiction. It depends altogether upon the direction in which my distinguished friend

gets headed as to what he may discuss during the hour when he happens to have the floor. The highest compliment, however, speaking in entire frankness, that I can truthfully pay to his remarks delivered a few moments ago is to say that he made a very poor speech.

We have pending here some extremely difficult problems vitally affecting the welfare of every class of citizenship, according to whether they are revenue problems or strictly financial problems of legislation relating to our educational and industrial or other conditions. Yet with these great questions pressing hourly upon us, questions involving not only our reconstruction situation but questions which ramify into world conditions, we find gentlemen whom the country sometimes mistakes for real leaders unconcernedly rising in their places and diverting the entire time and attention of the House with long-winded political harangues, speeches utterly filled with sophistry and buncombe, statements not seriously intended to be accepted as accurate. [Applause on Democratic side.] I hope that until Congress works out and solves at least a few of these great legislative problems which are confronting us some of our friends may be able to content themselves by suppressing this political claptrap to which we have been exposed in a measure from time to time.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. HULL of Tennessee. Not just now. I want to discuss this tax question if I can get to it.

Mr. LAGUARDIA. Exactly, and that is what I was going to ask the gentleman to do.

Mr. HULL of Tennessee. I came in here to-day expecting, as did some other gentlemen, that we would hear some very interesting discussions of the principles of taxation as they relate to this problem, and I wish to say that during the past two years I have never thought of politics while we Democratic and Republican colleagues have been working together on the Ways and Means Committee, each member having equal voice and equal rights to offer amendments, to discuss questions, to vote on them, and never was I in any separate conference with the Democrats as to any policies of the committee. Every act of that committee was decided on in full committee and, as the gentleman from Ohio [Mr. LONGWORTH] truthfully said, everything coming out of that committee relating to taxes was the joint product alike of the Democratic and Republican membership upon it. I must say that I get a little weary when some gentlemen persist in interrupting the real business of the House by attempting to play what some people would say was cheap politics—raising the question of politics in every conceivable little way—was this a Democratic bill, was it introduced by a Republican or a Democrat? My God! We have more problems to solve than our entire joint wisdom can possibly solve, and I say it is discouraging, when many of us on both sides have been earnestly striving jointly to work out some of these problems, to be constantly interrupted by gentlemen whose chief mission seems to be to play politics. In my opinion, unless some of that is suppressed during the next 18 months, the country will not be subjected to any greater menace from the I. W. W. and the anarchists than it will from these professional politicians. [Applause on the Democratic side.]

So far as the conduct of the war was concerned, every loyal citizen of this country was equally patriotic and to the fullest measure performed his part.

But I do not think it is fair for some gentlemen to insist that they shall have a little more than their share of credit for the commendable things which were done in the prosecution of the war and shirk entirely their part of the responsibility for the little things that did not happen to go exactly right. Now, if gentlemen insist on a full share of such credit they must be frank enough and manly enough to admit, as it was admitted during the deliberations of this House since April, 1917, their proportionate share of responsibility for legislation which might have in some respects proven irritating to this or that individual over the country. [Applause on the Democratic side.] When the time comes, so far as the Democratic Party is concerned, it was right and sound and wise in so many big things for which it was responsible it can well afford to admit any little mistakes that may have been made here and there by individuals in the course of the prosecution of the war; but in any event, so far as I am concerned and so far as I know, the disposition of Democrats is to welcome the closest scrutiny, notwithstanding the expressed intention of selecting a lot of partisan investigating committees to cover their work all over with partisanship, which announced intention has been written up by the newspapers for months—

Mr. KNUTSON. Mr. Chairman, a parliamentary inquiry. What is the subject under consideration?

Mr. HULL of Tennessee. General debate.

The CHAIRMAN. The gentleman can not interrupt the gentleman by a parliamentary inquiry unless he yields.

Mr. HULL of Tennessee. I was about to say, so far as the Democratic Party is concerned, it will welcome the closest scrutiny of every act connected with its part of the conduct of the war. It will freely give credit to any and every citizen for what he did, but I warn my friends who have politics alone on their mind in connection with these investigations that they are very liable to overplay that policy before they have proceeded far. [Applause on the Democratic side.] Mr. Chairman, this Nation will be ready at the conclusion of the war to compare points with every other Government engaged in the World War with respect to the conduct of those nations in the prosecution of the war. This Nation stands head and shoulders above any other nation, Allies or enemy, with respect to the soundness of the financing of the war, with respect to the soundness of the tax levy, with respect to the time and manner of raising the armies and the navies, with respect to the rapidity with which our armies and our munitions and our supplies were rushed to the front lines in Europe, with respect to the losses, and with respect to the glory in proportion to the part we took and the time and expense incurred. [Applause.] These facts will come out; they will reveal what I say more clearly to the average citizen as we get further away from the war.

Now, Mr. Chairman, I regret I was diverted to this extent by this injection of politics, and I want to say in connection with this revenue measure now pending that, so far as I am concerned, I have never felt any politics and have never acted any politics when in conference with my colleagues on the committee in working and framing internal-tax statutes. There is no politics, essentially no politics, in our internal-tax laws. We have our well-defined differences as to customhouse legislation, but if my colleagues will permit, I as one Member am ready and shall be glad to continue during the next two years that close and nonpolitical cooperation in the working out of our problems related to internal taxation. Now, my genial friend from Michigan [Mr. FORDNEY], when asked by some new Member whether we could raise at the customhouse a sufficient amount of money to make up whatever deficiency might arise from the repeal of this statute referred to in the pending bill, and the repeal of such other tax provisions as might be effected later and keeping in mind, too, the estimated receipts and expenditures for next year, he hesitated very much in making what I considered a definite answer. I wish to express as my individual opinion that the sooner this House acts upon the view that the customhouse does not afford a boundless and practically untapped field of revenue to be drawn on without limit whenever we need it—the sooner, I say, the House realizes that fact and takes up the study of the far broader field of internal taxation to which we inevitably must look for the chief portion of our revenue in the future, the better it will be for the House and for the country. Every sane and intelligent person must know that only some hundreds of millions can be gotten from the customhouse at the most, and such person knows equally well that we must raise, for a few years at least, a minimum of \$3,000,000,000 and upward.

Now, on this resolution now pending. I think that during the war the Committee on Ways and Means carefully followed all the investigations it could make as to the most desirable methods of taxation that might be adopted in this country even for temporary war purposes. In so doing it carefully followed the fiscal policies of each of the other important commercial countries at war, England, France, Canada, Australia, Italy, and even the enemy countries, although no lesson of value was to be learned from the latter. We found many kinds of taxes that were being utilized. Many of them were not intended as permanent peace taxes, because they were either unsound in theory or utterly unfeasible in their administration.

Some gentleman has referred to his antipathy to a consumption tax. I am frank to say that from my individual viewpoint the best test of a tax in this country—in other words, the nearest approximation to justice in taxation—is ability to pay. No tax absolutely approximates exactness in its application or in the justness of its operations, but ability to pay more nearly approximates that, in my opinion, than any other test that can be applied.

Now, while European countries were searching in every place for new revenue, for new taxes, we found none of them had adopted this so-called luxury-tax provision except France. France adopted it for the equally twofold purpose of raising revenue and discouraging useless or extravagant individual expenditures. They estimated the tax yield at \$120,000,000 for the first year. They thought it was feasible of administration. They have been very much disappointed in each respect. The theory of the tax is sound. Since the war began I have been

advocating the working out of a schedule of luxury taxes that could be retained as a permanent peace tax until our war expenditures, or at least the chief portion of our war debt, shall be paid. So, I repeat, the theory of this tax is absolutely sound. England in her stress for revenue undertook to model after the French "luxury" tax. The House of Commons appointed a very able commission to investigate, hold hearings, confer with business people, and draft a bill. That commission worked for many weeks. They called in the manufacturers, the wholesalers, the retailers. They called in the heads of each industry affected, and that was most of them. They had accountants, expert statisticians, experienced administrative officers from the internal-revenue department. They found this proposed schedule was absolutely filled with perplexities, many of them unforeseen, with the result that almost as fast as they could iron out one they would come in contact with two or three more. I mean in relation to putting the law into practical and efficient operation and making it apply to the intricate business conditions of the country.

Mr. GREEN of Iowa. Will the gentleman yield there?

Mr. HULL of Tennessee. Yes.

Mr. GREEN of Iowa. The gentleman had something considerable to do with the framing of this particular tax, and did he and the subcommittee engaged upon it not find just this same difficulty in getting it so worked out fairly that it would operate without undue perplexity and without imposing too large burdens in various directions?

Mr. HULL of Tennessee. There is on file, I think, in our committee room now, a report of that subcommittee supporting the theory of this tax, the soundness of it, and calling attention to the many difficulties involved in working out the administrative side and in making a practical application of it to our great variety of complicated business conditions in this country. And we further stated that if it was expected to secure a feasible measure on this subject, perhaps many weeks' time would be required or, at least, should be used, in working out this schedule. That time was not permitted under the circumstances and in the hurry. It came to the House in the defective form that it was found in the bill.

Mr. HAUGEN. Will the gentleman yield?

Mr. HULL of Tennessee. Yes.

Mr. HAUGEN. The gentleman has referred to the administrative side of the question. In what respect does it differ from the collection of the 2 cents on the plate of ice cream?

Mr. HULL of Tennessee. I am coming to that right now.

Mr. HAUGEN. Is not the expense just as great in collecting 2 cents on ice cream as a dollar on something else?

Mr. HULL of Tennessee. I am coming to the administrative features now. I may say that the leader in the House of Commons week after week arose and answered inquiries by stating that he still intended to put through and in operation what was technically called a luxury schedule, but after working on it for months in the manner I have stated they found the difficulty of administration was so complicated that they decided that they would simply increase some of the income-tax rates and get far more revenue with measurably less expense and complaint than they would by undertaking to adopt and administer this new schedule.

Now, it is very easy to lay a tax on the manufacture of these articles, or on the wholesaler or on the retailer himself, but this, mind you, was intended to be a tax on the expenditure of individuals. It was not a tax on the manufacture of them or on the distribution by the jobber or on the sale by the retailer. It was intended to pass beyond each and all of them and fasten itself on the purchaser, while the Treasury regulations would compel the retailer to collect this tax and turn it over to the Government.

If it were only possible to levy the tax before it got to this advanced stage, the administration of it would be very different, and so would the tax. But here are between 40 and 50 classes of articles; there are estimated to be some 2,000,000 persons, firms, and corporations in the United States engaged in the business of retailing more or less of these articles. Most of those persons—all of them, in fact—would have in some stages of the year some of these articles. Their clerks, their salesmen, would be required to know the law, and the rates applicable to each of these articles when it passed a given price.

Now, as to the practical difficulty of that, of course, in the larger stores one or more clerks who are experts in this law, and with no other assignment, would be required to devote their entire time to looking after this tax proposition. Of course, the merchants realize that it would cost them many millions to employ clerical assistance for no other purpose than to run down as many of these sales as they are able while they were being made every minute throughout the day, and they would rather pay

almost twice this amount, perhaps, in the form of some other tax, and the point I make and the suggestion I make is that, in view of the utter lack of time to practically work out this schedule before it came into the House in the bill last year, and in view of its considerable emasculation by the Senate, without in any sense abandoning my original views as to the soundness of this class of taxation, the committee should undertake to re-form, re-write, or overhaul this provision and find, if possible, some other form—and I still think it possible—far more convenient and less expensive by which this class of expenditures can be reached for a substantial tax. I repeat, my suggestion is that, instead of abandoning this matter entirely and dismissing this tax and dismissing the revenue as well, we should undertake by some tax method equally sound as this in theory and far more feasible of administration, to find a suitable amount of revenue until the chief portions of our war expenditures have been taken care of.

Mr. Chairman, I had not intended to consume more than a few minutes. I now yield 10 minutes to the gentleman from Kentucky [Mr. THOMAS] and reserve the balance of my time.

The CHAIRMAN. The gentleman from Kentucky is recognized for 10 minutes.

Mr. GREEN of Iowa. Mr. Chairman, I understand the gentleman from Illinois [Mr. CANNON] desires some time.

Mr. FORDNEY. Yes; I believe the gentleman from Illinois desires to speak, and I ask unanimous consent that at the conclusion of the remarks of the gentleman from Kentucky he be given some time.

Mr. THOMAS. Mr. Chairman, I believe I have the floor.

Mr. FORDNEY. Will the gentleman yield to me for a brief statement? I want to ascertain if we can come to an agreement as to the end of general debate.

Mr. CANNON. I will wait. That will do just as well.

The CHAIRMAN. The gentleman from Kentucky is recognized.

Mr. THOMAS. Mr. Chairman, I have been out of commission for quite a time, and am still to a great extent out of commission, yet I feel impelled, since so many gentlemen have preceded me in favor of this bill, to submit a few remarks in opposition to its passage. The gentleman from Michigan [Mr. FORDNEY] is an able man, and, by the way, I can truthfully say that I believe all the members of the Ways and Means Committee are able men and gentlemen and absolutely honest in their convictions. I believe the committee in asking for the repeal of this section of the revenue law is doing that which it believes is proper and for the best interests of the country, regardless of political conditions. The gentleman from Michigan [Mr. FORDNEY] gave this bill a new name. He has rechristened it. Heretofore this tax has been known as a luxury tax. That name, I presume for the purposes of the repeal, would not sound well to the country, so he renames it a consumption tax. The idea seems to be to lead the country to believe that the committee is not asking the repeal of a tax on luxuries, but is demanding the repeal of a tax on the consumer. All taxes, by whatever name they may be called, are consumption taxes. I challenge the committee to name any kind of tax that is not a tax on the consumer. The committee can not do so, and it is useless to attempt to defend the repeal of a tax on luxuries by calling it a tax on consumption. All taxes, it makes no difference by what name they may be called, are in the final analysis taxes on the consumer and consumption taxes.

Section 904 of the revenue act of 1918, proposed to be repealed, is as follows:

Sec. 904. (a) That on and after May 1, 1919, there shall be levied, assessed, collected, and paid a tax equivalent to 10 per cent of so much of the amount paid for any of the following articles as is in excess of the price hereinafter specified as to each such article, when such article is sold by or for a dealer or his estate on or after such date for consumption or use—

- (1) Carpets and rugs, including fiber, except imported and American rugs made principally of wool, on the amount in excess of \$5 per square yard;
- (2) Picture frames, on the amount in excess of \$10 each;
- (3) Trunks, on the amount in excess of \$50 each;
- (4) Valises, traveling bags, suit cases, hatboxes used by travelers, and fitted toilet cases, on the amount in excess of \$25 each;
- (5) Purses, pocketbooks, shopping and hand bags, on the amount in excess of \$7.50 each;
- (6) Portable lighting fixtures, including lamps of all kinds and lamp shades, on the amount in excess of \$25 each;
- (7) Umbrellas, parasols, and sun shades, on the amount in excess of \$4 each;
- (8) Fans, on the amount in excess of \$1 each;
- (9) House or smoking coats or jackets, and bath or lounging robes, on the amount in excess of \$7.50 each;
- (10) Men's waistcoats, sold separately from suits, on the amount in excess of \$5 each;
- (11) Women's and misses' hats, bonnets, and hoods, on the amount in excess of \$15 each;
- (12) Men's and boys' hats, on the amount in excess of \$5 each;
- (13) Men's and boys' caps, on the amount in excess of \$2 each;
- (14) Men's, women's, misses', and boys' boots, shoes, pumps, and slippers, not including shoes or appliances made to order for any per-

son having a crippled or deformed foot or ankle, on the amount in excess of \$10 per pair;

(15) Men's and boys' neckties and neckwear, on the amount in excess of \$2 each;

(16) Men's and boys' silk stockings or hose, on the amount in excess of \$1 per pair;

(17) Women's and misses' silk stockings or hose, on the amount in excess of \$2 per pair;

(18) Men's shirts, on the amount in excess of \$3 each;

(19) Men's, women's, misses', and boys' pajamas, nightgowns, and underwear, on the amount in excess of \$5 each; and

(20) Kimonos, petticoats, and waists, on the amount in excess of \$15 each.

The Ways and Means Committee, a Damon and Pythias committee so far as this bill is concerned, in its report asking that this law be repealed uses the following language:

The purpose of section 904—

The section the committee asks to be repealed—

was to encourage thrift and economy and to prevent extravagance as well as to provide revenue.

Therefore, according to the statement of the committee, it proposes to repeal a law whose main purpose is to encourage thrift and economy, to prevent extravagance, and provide revenue.

If the law is repealed, therefore, the converse of this proposition will become true, and we will have a law that will discourage thrift and economy, will encourage extravagance, and reduce the revenue. There is no escape from the cold logic of this proposition.

The gentleman from Michigan [Mr. FORDNEY] admits if this law is repealed the Treasury will lose \$100,000,000 in revenue, but proposes to let these luxuries go untaxed and raise the revenue lost by the repeal of this section of the revenue law by means of an import tax; that is, by a tariff law, which is peculiarly a consumption tax and bears heaviest on the poorer classes. In a word, he proposes by this bill to relieve the rich, those who are able to buy, of this tax on luxuries and supply the deficiency of \$100,000,000 by laying the burden on the poor by means of tariff taxes.

I wondered while the gentleman from Michigan [Mr. FORDNEY] was asserting the deficit of \$100,000,000 of revenue that will result from the repeal of this section will be supplied by increased tariff taxes what had become of my distinguished friend, Mr. KITCHIN, of North Carolina, a gentleman for whom I have the highest regard. I wondered if that knightly warrior, who for so many years has so gallantly stood a faithful sentinel, gun in hand, on the watchtower of low tariff, had at last lowered the flag of the people and surrendered before the assaults of the legions of high protection.

I invite gentlemen to read the section of the law to be repealed, and then I ask them how they expect to go among their constituents and justify themselves before the tribunal of justice and fair taxation for a vote to repeal this law.

This bill provides among other things that the charming, fantastic, beautiful, and scantily clad sweet young creatures who daily promenade F Street in this city, and like thoroughfares in other cities, and whom all the younger Members of this House love, and all the older Members, such as Uncle JOE CANNON and myself, admire, shall pay a tax of 10 per cent on the excess of all over \$10 on a pair of shoes and a like tax on the excess of all over \$15 on silk skirts. Why should they not pay this tax on such luxuries? No man has, and no man can present, a valid reason why they should not pay the tax. All of us like to look at beautiful shoes and silken hose and hear the music of the swish and rustle of silken skirts, but that is not a valid reason why such luxuries should not bear their part of the burden of taxation to pay the cost of the recent horrible, disastrous war. [Applause.]

My good friend Mr. KITCHIN, of North Carolina, wants this law repealed so the workmen of this country will be enabled to buy shoes that cost over \$10, and trunks that cost over \$50, and carpets that cost over \$5 per square yard, and suitcases that cost over \$25, and pocketbooks that cost over \$7.50 without paying a tax on the excess over those prices. Workmen, as a rule, do not pay such prices for such articles. In the first place, they do not have the money to waste in that manner, and if they did they prefer to put it in homes rather than use it in wasteful extravagance. Where one workman will pay \$10 for a pair of shoes a thousand will pay a less price, and so with all the other articles enumerated in this section.

I never paid \$10 for a pair of shoes in my life, and when I pay more I ought to pay a tax, and am willing to pay it. Nine dollars is the most I ever paid for a pair of shoes, and that was \$4 too much. [Laughter.]

If a man pays over \$50 for a trunk, he ought to pay a tax, and a big one at that. Most people in this country when they travel can carry their personal belongings in a cheaper trunk than a \$50 trunk, and many of them in a suitcase or an old-

fashioned carpetbag. Those who dance should be made to pay the fiddler, and those who insist on paying extravagant prices for articles of luxury ought to be compelled to pay the taxes. I have no trouble in carrying my personal effects in a cheaper trunk or a carpetbag. [Laughter.] I do not need a \$50 trunk to carry my things around in.

People who buy articles at extravagant prices have, or ought to have, the money to pay for them. The trouble in this country is there are too many patriots, so-called, of the wrong kind. They are heartily in favor of taxation to pay the cost of war, but are in favor of some one else paying the taxes. They want some one else to do the fighting, while they do the hurrahing. I notice that the excess over \$7.50 on smoking jackets is taxed 10 per cent. A man who will wear a smoking jacket should pay a big tax on the entire cost. A smoking jacket is merely a fad and not a comfort or necessity. I have never yet heard of a man wearing a chewing jacket, and fully as many men chew as smoke. A smoking jacket is a useless thing anyway, though I presume some men imagine they look quite handsome and cute and distinguished in one of about the stripes, checks, and colors of a shirt that a colored dude would wear at a Negro picnic in Georgia. A man with a smoking jacket on usually goes into what he calls a den and lights a 5-cent cigar, for which maybe he paid 50 cents and thought he was getting a great bargain because he paid a high price. He puffs away and believes he is getting a fine smoke, but he is not, because he does not know what a good smoke is.

If a man wants a good, comfortable, soul-satisfying smoke he should get a Kentucky or Missouri corncob pipe and some natural-leaf hillside tobacco and go out into the country to a log farmhouse and sit in the front yard under an old oak tree, in his shirt sleeves, with his shirt unfastened in front and his suspenders down, close by an old well of cool water with a sweep and an old, moss-covered bucket. There he can get the right kind of smoke, such as the denizens of crowded, profiteering cities never dreamed of in their philosophy, while with half-closed eyes he watches the curling, fragrant smoke drift away and mingle with the lazy, fleeting clouds while he dreams of home and heaven. [Applause.]

Mr. Chairman, if I understood the gentleman from North Carolina [Mr. KITCHIN] correctly, he stated one reason for the repeal of this tax is that it is so much trouble to collect. All taxes are troublesome and costly to collect, and if that is a valid reason why this tax on luxuries should be repealed, the same reason applies with equal force to all taxes and no taxes whatever should be levied and collected. I have never observed that many persons are anxious to pay taxes. He gives as another reason why this law should be repealed that some dealers are dishonest and make false reports, and therefore because the dishonest escape by perjury the honest also should not pay the tax. This statement is a thinly veiled and glittering sophistry. It is just as reasonable, just as logical, to say that if two persons are arrested for the same kind of crime and both are equally guilty and a jury acquits one the other should be discharged without trial because the one equally guilty had escaped punishment.

This Congress should pass laws to compel those who have plenty of money and are able to pay extravagant prices for luxuries to bear their part of the burden of taxation the war has entailed. I never paid more than \$2.50 for a shirt in my life, and that price shirt is good enough for any man.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. THOMAS. I ask unanimous consent for five minutes more.

Mr. HULL of Tennessee. How much time have I remaining, Mr. Chairman?

The CHAIRMAN. The gentleman from Tennessee has 20 minutes remaining.

Mr. HULL of Tennessee. I yield five minutes to the gentleman.

The CHAIRMAN. The gentleman from Kentucky is recognized for five minutes.

Mr. THOMAS. I am much obliged to the gentleman from Tennessee [Mr. HULL].

Mr. Chairman, it is all moonshine about workmen buying \$10 shoes and \$3 shirts. Some may occasionally pay such prices for a Sunday shirt or shoes, but it is not a habit with them to pay such prices. Those and higher prices are prices the rich—people with money—pay, and I am in favor of making the people able and willing to pay extravagant prices pay their toll of taxes.

If this bill is passed by and by it will be like the daylight-saving bill. That bill passed by a large majority, but it seems

difficult to find a Member of this House now who will admit he voted for it.

Mr. Chairman, gentlemen who voted to repeal this luxury tax will make trouble for themselves at home. Their constituency will not approve of it and some of you when some bright man gets after you in your district about this bill, will think the day of political judgment has come. And it will, too, and you will be weighed in the balance and found wanting. [Laughter.]

Mr. BAER. Will the gentleman yield?

Mr. THOMAS. Yes.

Mr. BAER. If this provision is left in the law does the gentleman believe that 98 per cent of the people in this country will ever pay the tax on any of these things?

Mr. THOMAS. I think so. The gentleman from Michigan [Mr. FORDNEY] made the statement on the floor of this House a few minutes since that through this provision of the revenue law sought to be repealed \$100,000,000 in taxes would be lost. If this law, which levies only a tax of 10 per cent on the excess above the prices named in the law, produces a revenue of \$100,000,000 there must of necessity have been many millions of dollars' worth purchased at excess prices above the provisions of the law and it is fair to presume that such purchases were made by the rich, by people with money to pay extravagant prices, which must have embraced more than 2 per cent of the population. If only 2 per cent of the population as the gentleman from North Dakota [Mr. BAER] seems to believe will ever pay any of this tax then the other 98 per cent will escape the tax and that will be because the 98 per cent will not purchase the articles at prices for more than enumerated in section 904, and the burden will fall on the 2 per cent who are able to pay extravagant prices for luxuries.

The gentleman from Tennessee [Mr. HULL] and the gentleman from Pennsylvania [Mr. MOORE] have mentioned somewhat of politics in discussing this bill. I am not generally greatly interested in politics unless there is a real political subject under discussion or I am engaged in a campaign and then I try to hold up my end of the log. [Laughter.]

The gentleman from Pennsylvania [Mr. MOORE] severely censures the President because he believes that \$24,000,000,000 were appropriated on his advice. Mr. MOORE must have thought the advice good, as he voted for most, if not all, of these appropriations. However, the gentleman almost immediately backtracked and censured the President for not now being in Washington to give him and other Members of Congress more good advice about how to vote on other appropriations and other matters of vital interest to the country. I think the gentleman from Pennsylvania [Mr. MOORE] is "a gentleman of anagosity and general understanding throughout the neighborhood," but it seems to me his logic does not "coreander" on this proposition. [Applause and laughter.]

The President has had many and grievous burdens to bear and has without doubt acted as he believes for the best interests of the Republic regardless of political considerations, and he should at least be given credit for a conscientious discharge of public duty. Even if mistakes have been made, this administration will go down as one of the greatest in human history.

The gentleman from Tennessee [Mr. HULL] deprecates, properly, the induction of politics into bills such as the one now under consideration, and some other gentlemen have, if I mistake not, spoken of politicians in this House. Why, gentlemen, there are no politicians in this House. All the Members are statesmen. That proposition is easy of demonstration. A statesman is a man who holds an office, and a politician is merely a fellow who is trying his best to obtain an office, and if he fails to obtain office and become a statesman he then becomes a disappointed political reformer, finds everything wrong, and endeavors with his voice to overturn all existing orders of things, and in fact seeks to turn the material and moral universe upside down. I am like Uncle JOE CANNON; I do not have an abiding faith in political reformers. [Laughter.]

Mr. Chairman, I shall vote against this bill. It seeks to repeal a luxury tax, pure and simple. I shall demand the yeas and nays, so the House may be put on record, and gentlemen who desire to dodge the issue had best be looking around for pairs. [Applause and laughter.]

Mr. Chairman, the war, which I hope has ended, was the most criminal and gigantic in all recorded human history and the most destructive of human life and property. The sons of this Republic performed a valorous part in that momentous conflict. In a single year we spent \$19,000,000,000 to equip armies to carry the starry flag beyond the seas. Nineteen billion dollars is an amount whose magnitude the minds of men are helpless to grasp. A billion dollars in \$1 bills laid end to end and side by side, 60 feet wide, would girdle the earth, 25,000 miles around.

Bonds have been issued and enormous taxes have been levied. The people have bought the bonds and paid the taxes without complaint, except from the criminal profiteers. The public debt is now \$47,000,000,000, and taxes will have to be levied on all kinds of property to pay even the interest on this enormous sum, and it would be folly, to say the least, to repeal a law taxing luxuries and lose \$100,000,000 in revenues with this condition of the public debt, and more money yet to be appropriated to pay the expenses of the war.

I have gladly and cheerfully supported all measures that I believed necessary to carry the war to a successful termination and all measures necessary for the maintenance and comfort of our soldiers in the field.

America sent her sons across a wide waste of wild waters to fight for alien people, and they bravely and heroically maintained the valor of the great Republic. When the last of them shall have returned to home and friends, which I hope will be in the near future, my vote shall be only for appropriations, unless in case of some dire necessity, which stop at the water's edge. A jug of mescal and a barrel of beans will start a revolution in Mexico at any time, and there are people in Europe who will never stop fighting as long as we feed them.

Some of the people our soldier boys fought for seem disinclined to give them any credit for winning the war. That is criminal ingratitude. It is said that Thermopylae had its messenger of defeat but that the Alamo had none. The American private soldier, the loved doughboy, had no messenger of defeat, because he was never defeated and is undefeatable.

The words of his fate came hissing
From the pit of the war each day;
Killed or wounded or missing—
Plain private—what more to say?

Our soldier boys never turned their backs to the foe, but died upon the field of honor amid the joys of conquest and smiled in death. The red trenches and tented fields of France—Chateau-Thierry, Belleau Wood, St. Mihiel, and the Argonne—will forever stand before America's vision imperishable monuments of lofty patriotism and martial courage. The lone vigil is ended, the tumult has ceased, and thousands of our soldiers and marines are sleeping "the sleep that knows no waking." The death toll is staid, the draping of the willow hangs above them, and the "grass green from the soil of carnage" waves over their graves, but their valor and loyalty and devotion to duty will be enshrined forever in the hearts of their countrymen. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, I yield the balance of my time to the gentleman from Illinois [Mr. CANNON].

Mr. CANNON. Mr. Chairman, I shall not detain the committee very long. We are going to need more money than we will be able to get for the coming fiscal year without borrowing heavily.

I am not going to criticize as to the expenditures. We are all responsible for them. We all voted for the declaration of war. We all were for it, and we would be for it again if any nation in the world blew up our ships on the world's highway. That is what put us into the war. We did not go into the war for the purpose of protecting democracy in the Balkan States or on the Congo or anywhere else on earth outside of the United States. We kept out of the war under the leadership of our President, and we only went into the war to achieve victory when we were driven in. Our policy, as amended by our President, was that the world was to have peace without victory.

You may say that is criticizing and I will drop it right there. When Germany blew up our ships on the world's highway both sides of this House closed up like a vise and war was declared.

Now we have got to pay the piper. Our Allies whom we have financed will not pay during this or the coming generation the money they owe us. If they pay us the interest we will be wonderfully fortunate. Russia will probably never pay. Roumania had something, and so did other countries. I am not criticizing the advances at all, but I just want to say that you must look at the things we are asked to do. Take the wounded soldiers with a leg off, with an arm off, and the proposition for educational vocation. That is all right, I am glad of it, but there are many that you can not restore, and when you do restore them you have to pay them more than \$7.50 a month if they have one leg off. We have got to have at this session of Congress enormous pension legislation. We have paid a \$220,000,000 pension bill for soldiers before this war, and the pensions will not decrease. I do not know how much it is to be, but I believe that when the pension legislation that ought to be enacted, and will be enacted, in addition to the legislation already enacted, all put together, will be not less than \$500,000,000 to \$700,000,000 a year.

Then there comes the Secretary of the Interior with another alleged compensation scheme, which, if it is entered upon, will cost within the next 20 years \$5,000,000,000 to \$6,000,000,000.

This bill picks out that one paragraph of the revenue law and seeks to repeal it, thereby taking off annually \$100,000,000 in taxes. Then there is the other paragraph that we all want to take off, the tax upon soda water and ice cream that the children have to pay, 1 cent for every drink. I think that ought to go off, although I am not so clear about this tax being repealed. [Applause.] Let me ask you gentlemen a question. Do you get any letters from the automobile people and all the people who are paying taxes? I get them by the hundred. Although they do not say so in so many words, yet the tenor of their complaint is, let the boll go upon somebody else's nose. When the question is asked, Who's nose? the reply is made, Oh, let these plutocrats who made money from excess profits pay the tax. Why, good heavens, we have been taking a very large share of those earnings. The war is not over, and the expense of the war between this and the conclusion of the treaty of peace and its ratification ought to be less and less day by day and month by month, and if you are going to depend upon the excess profits and war profits you are not going to have so much, for you will collect less and less by the hundreds and hundreds of millions of dollars this year under this bill and next year and next year. I am perfectly willing to take from him who hath and put it in the National Treasury. Many mickles make a muckle, and it is up to us, either by indirect taxation or direct taxation—call it consumption tax, or a tariff tax on imports, or as you choose—it is up to us to get the money. We have to have it.

Do you know what I would do if I had the power? I would not pass this bill repealing this particular clause at this time. [Applause.] Some gentleman says that we are committed to it. Not at all. I am not bound to do it, and you are not bound to it. It is a mere question of what is the best thing to do. Why would I not do it? I do not want to send a bill across to the Senate with this clause only repealed. I would like to have something put into its place when it is repealed that will make up the hundred million dollars we lose, if you can find anything to put in its place. When we come to the soda water on which the children have to pay a cent on every drink they buy, you will find that it is a very expensive tax to collect. The chairman of the Ways and Means tells us that that clause brings in \$20,000,000. I do not know that I shall do it, but I have been thinking that I would move to substitute that clause for repeal instead of this clause which this bill repeals, although the gentleman from Ohio [Mr. LONGWORTH] thinks such an amendment would not be in order. I do not know whether the Senate would pass either or both of them, but we will have to run up against probably two or three revenue bills. Both sides of the House have got to cooperate in raising the money. The war was not merely a protection to us in this country, but it involved us in an expense that is as high as the skies. That is a question for both sides of the House, for we will require all of the money that we can collect at the customhouse, whether it is four or five hundred millions of dollars. I fancy it would be a difficult thing to pass a revenue bill whereby we could collect at the customhouses more than five or six hundred millions of dollars in taxes. I have not given this close attention, but I am just roughly guessing at it.

If the amendment that I speak of should be ruled out of order; that is, to strike out the section this bill provides for and to insert in its place the soda-water section, well and good, but that is the way I should like to see it passed. If that is not out of order, then I should be glad to have somebody else or if somebody else does not offer the amendment I shall to the pending bill to take in section 630. [Applause.]

Mr. HULL of Tennessee. Mr. Chairman, I desire now to yield to the gentleman from Tennessee [Mr. GARRETT].

Mr. GARRETT. Mr. Chairman, I will say to my colleague that it was not my purpose really to actually discuss this bill. I did seek time earlier in the day, but I did not know that it was to take up so much time, with the idea of presenting another section of the revenue act; but in view of the fact that I do not desire to discuss this and it is so late in the day, I shall not ask for time.

Mr. RUCKER. Mr. Chairman, a parliamentary inquiry. How is the time of this debate controlled?

The CHAIRMAN. There was no agreement as to time or as to who should control the time, but gentlemen having been recognized for an hour, not having consumed the hour have reserved the balance of their time.

Mr. RUCKER. I should like to have two or three minutes to pay my respects to this bill.

Mr. FORDNEY. Everybody is anxious to go home, and what I wanted to do was to close this debate as quickly as we can and then move that the committee rise.

Mr. CANNON. If we adjourn now, the bill will be subject to amendment under the five-minute rule after general debate ceases.

Mr. FORDNEY. Can not we come to some agreement when general debate shall close?

Mr. HULL of Tennessee. Mr. Chairman, I yield five minutes to the gentleman from Tennessee [Mr. SIMS].

Mr. SIMS. Mr. Chairman, I want to talk to my friends on the Republican side of the House, not that the others do not need it, but the Republicans have the power.

Now, what was the first thing in the way of taxation or in reduction of taxation that you gentlemen who have the power do as soon as you are called here in extra session? It is to relieve the rich people of this country from the existing tax burden of \$85,000,000 to \$100,000,000 per annum without placing the loss anywhere else, so far as this bill goes, but with the promise to hunt around and put it somewhere else some time or other in the remote future. The chairman of the committee, the gentleman from Michigan [Mr. FORDNEY], intimated in his reply to my inquiries that he would put it on potash and dyestuffs by increase of tariff duties.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. SIMS. No; I have only five minutes.

Mr. GREEN of Iowa. The gentleman voted for that in the last session.

Mr. SIMS. I say I did not, and I will show it by the RECORD.

Mr. FORDNEY. I did not intimate that.

Mr. SIMS. You referred to that when I asked you. You spoke of potash and dyestuffs. That was a very poor reply. The facts are that if you vote for this bill you will vote to take taxes off of those who are abundantly able to pay them and not hurt them at all. If you do not do anything else you will reduce the ability of the Government to pay its bills.

The Ways and Means Committee has been increased to 25. Increase it more, put it up to 30, and let those 5 extra members become a subcommittee to find somewhere to raise the amount of this loss before you take it off of anybody. When you go home you will have to answer why you began your work in the extra session of this Congress by removing the taxes from those who can pay and by so doing increase the taxes on those who are unable to pay.

I will ask my friend the gentleman from Michigan, whose anecdotes and stories have entertained me for 20 years, to be bold enough to withdraw the bill and recommit it to the Committee on Ways and Means and let it prepare another bill taking the taxes off of, at least, some of the poor people who will have to pay and put other taxes on such things as the rich will have to pay exclusively. Because when people are able to buy those things that these taxes will reach they will not be poor or distressed or needy. Now, put the burden where it belongs. No matter who voted for this bill or did not, or what caucus agreed to the bill or what caucus did not. Put some relief of the poor in to sweeten it and to make it more tolerable for those who may vote for the bill. As the gentleman from Illinois [Mr. CANNON] says, every time you get a glass of soda water you pay 1 cent for the privilege of paying for the soda water. Why not put this tax somewhere else now instead of leaving it to promises as to what the Ways and Means Committee will do hereafter? If you do not do better hereafter than you are doing now, you ought to resign from the committee.

Mr. MOORE of Pennsylvania. Practically all of these obnoxious taxes to which the gentleman refers were put in the bill on the recommendation of the Treasury Department under the administration of President Wilson.

Mr. SIMS. Why do you not put in something regardless now?

Mr. MOORE of Pennsylvania. I am willing to follow the President in war, but I think I will break away a little on matters of taxation.

Mr. SIMS. Is this your first breakaway? [Laughter.] The gentleman is breaking away in a style not to be admired by taking burdens from the wealthy, who will not be deprived of anything they will need, and putting the burdens on those who will have to do without something they do need in order to pay it.

Mr. MOORE of Pennsylvania. If the gentleman please, the President in his message to Congress recommended this be repealed. I read it into the RECORD.

Mr. SIMS. Then you should hasten to hold meetings of the committee and cut it out.

Mr. MOORE of Pennsylvania. I wanted to keep the gentleman and the President in line.

Mr. SIMS. You are trying to get away from the merits of this legislation, or rather its lack of merits.

Mr. FORDNEY. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. WALSH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 2021) to repeal section 904 of the revenue act of 1918, approved February 24, 1919, and had come to no resolution thereon.

DISTRICT OF COLUMBIA APPROPRIATIONS.

Mr. DAVIS of Minnesota, from the Committee on Appropriations, reported the bill (H. R. 4226) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1920, and for other purposes, which was referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. DAVIS of Minnesota. Mr. Speaker, I wish to state that just as soon as possible—Monday morning, if it can be done—I would like to take up the bill.

Mr. GARD. Mr. Speaker, I reserve all points of order on the bill.

ADJOURNMENT.

Mr. FORDNEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock p. m.) the House adjourned until Monday, June 2, 1919, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Acting Secretary of State, transmitting draft of joint resolution authorizing the Secretary of War to permit Señor Julio Mira y Bolivar, a citizen of Cuba, to receive instruction at the United States Military Academy at West Point (S. Doc. No. 16); to the Committee on Foreign Affairs and ordered to be printed.

2. A letter from the Acting Secretary of State, transmitting copy of a resolution adopted by the National Assembly of Panama, asking the Senate of the United States not to change the name of the canal from Panama to Roosevelt (H. Doc. No. 67); to the Committee on Interstate and Foreign Commerce and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. DAVIS of Minnesota: A bill (H. R. 4226) making appropriations to provide for the expenses for the government of the District of Columbia for the fiscal year ending June 30, 1920, and for other purposes; to the Committee on Appropriations.

By Mr. PETERS: A bill (H. R. 4227) authorizing the Secretary of War to donate to Peabody Memorial Library, in the town of Jonesport, Me., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. WASON: A bill (H. R. 4228) authorizing the Secretary of War to donate to the town of Peterboro, N. H., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. MANSFIELD: A bill (H. R. 4229) authorizing the Secretary of War to donate to the city of Gonzales, Tex., two pieces of artillery of large caliber captured or obtained from the enemy during or at the close of the war with Germany; to the Committee on Military Affairs.

By Mr. CLASSON: A bill (H. R. 4230) authorizing the Secretary of War to donate to the city of Oconto Falls, Wis., one German cannon or fieldpiece and carriage; to the Committee on Military Affairs.

By Mr. GOODALL: A bill (H. R. 4231) authorizing the Secretary of War to donate to the town of Gorham, Me., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. HUDSPETH: A bill (H. R. 4232) for the erection of an addition to and completion of the public building in the city of El Paso, State of Texas, and appropriating money therefor; to the Committee on Public Buildings and Grounds.

By Mr. WOOD of Indiana: A bill (H. R. 4233) donating a captured cannon or field gun and carriage to the city of Dyer, Ind.; to the Committee on Military Affairs.

By Mr. JEFFERIS: A bill (H. R. 4234) authorizing the Secretary of War to donate to the town of Fort Calhoun, Nebr.,

one captured German cannon or fieldpiece, with carriage and ammunition for same; to the Committee on Military Affairs.

By Mr. BANKHEAD: A bill (H. R. 4235) to amend an act entitled "An act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918; to the Committee on Education.

By Mr. BEGG: A bill (H. R. 4236) authorizing the Secretary of War to donate to Fort Meigs, Wood County, Ohio, one German cannon or fieldpiece, with its accompaniments; to the Committee on Military Affairs.

By Mr. DUPRÉ: A bill (H. R. 4237) providing for an increase of salary for the United States attorney for the eastern district of Louisiana; to the Committee on Expenditures in the Department of Justice.

By Mr. KENNEDY of Iowa: A bill (H. R. 4238) authorizing the Secretary of War to donate to the city of Fort Madison, Iowa, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4239) authorizing the Secretary of War to donate to the city of Mount Pleasant, Iowa, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4240) authorizing the Secretary of War to donate to the city of Keokuk, Iowa, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4241) authorizing the Secretary of War to donate to the city of Burlington, Iowa, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4242) authorizing the Secretary of War to donate to the town of Columbus Junction, Iowa, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4243) authorizing the Secretary of War to donate to the town of Keosauqua, Iowa, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4244) authorizing the Secretary of War to donate to the town of Wapello, Iowa, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4245) authorizing the Secretary of War to donate to the town of Washington, Iowa, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4246) authorizing the Secretary of War to donate to the town of Grandview, Iowa, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4247) authorizing the Secretary of War to donate to the town of Fairfield, Iowa, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4248) authorizing the Secretary of War to donate to the town of Donnellson, Iowa, one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. DICKINSON of Iowa: A bill (H. R. 4249) for the acquisition of a site and erection of a building at Jefferson, Iowa; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4250) for the acquisition of a site and erection of a building at Algona, Iowa; to the Committee on Public Buildings and Grounds.

By Mr. SMITHWICK: A bill (H. R. 4251) authorizing and directing the Secretary of War to donate to the Florida State College for Women, at Tallahassee, Fla., two German cannons; to the Committee on Military Affairs.

Also, a bill (H. R. 4252) authorizing and directing the Secretary of War to donate one German cannon each to the cities of Tallahassee, Quincy, Crawfordville, Bristol, Apalachicola, Blountstown, Milton, Marianna, Bonifay, Vernon, Panama City, De Funiak Springs, Crestview, and Pensacola, all in the State of Florida; to the Committee on Military Affairs.

By Mr. HARDY of Colorado: A bill (H. R. 4253) authorizing the Secretary of War to donate to the town of Idaho Springs, Clear Creek County, in the State of Colorado, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4254) authorizing the Secretary of War to donate to the town of La Junta, in the State of Colorado, one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. SMITH of Illinois: A bill (H. R. 4255) authorizing the Secretary of War to donate to the city of Chenoa, Ill., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4256) authorizing the Secretary of War to donate to the city of Roanoke, Ill., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4257) authorizing the Secretary of War to donate to the city of Eureka, Ill., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4258) authorizing the Secretary of War to donate to the city of Normal, Ill., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4259) authorizing the Secretary of War to donate to the city of Le Roy, Ill., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4260) authorizing the Secretary of War to donate to the town of Mount Pulaski, Ill., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4261) authorizing the Secretary of War to donate to the town of Forrest, Ill., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4262) authorizing the Secretary of War to donate to the town of Chatsworth, Ill., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4263) authorizing the Secretary of War to donate to the town of Piper City, Ill., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4264) authorizing the Secretary of War to donate to the city of Atlanta, Ill., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4265) authorizing the Secretary of War to donate to the city of Paxton, Ill., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4266) authorizing the Secretary of War to donate to the city of Washburn, Ill., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4267) authorizing the Secretary of War to donate to the city of Fairbury, Ill., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4268) authorizing the Secretary of War to donate to the town of Gibson City, Ill., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4269) authorizing the Secretary of War to donate to the city of Lexington, Ill., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. RIDDICK: A bill (H. R. 4270) authorizing the Secretary of War to donate to some counties of the State of Montana German cannons or fieldpieces; to the Committee on Military Affairs.

Also, a bill (H. R. 4271) authorizing the Secretary of War to donate to the county of Valley, State of Montana, one German cannon; to the Committee on Military Affairs.

Also, a bill (H. R. 4272) authorizing the Secretary of War to donate to the county of Dawson, Mont., one German cannon; to the Committee on Military Affairs.

Also, a bill (H. R. 4273) authorizing the Secretary of War to donate to the county of Cascade, Mont., one German cannon; to the Committee on Military Affairs.

Also, a bill (H. R. 4274) authorizing the Secretary of War to donate to the county of Phillips, Mont., one German cannon; to the Committee on Military Affairs.

Also, a bill (H. R. 4275) authorizing the Secretary of War to donate to the county of Park, Mont., one German cannon; to the Committee on Military Affairs.

Also, a bill (H. R. 4276) authorizing the Secretary of War to donate to the county of Yellowstone, Mont., one German cannon; to the Committee on Military Affairs.

Also, a bill (H. R. 4277) authorizing the Secretary of War to donate to the county of Fergus, Mont., one German cannon; to the Committee on Military Affairs.

Also, a bill (H. R. 4278) authorizing the Secretary of War to donate to the county of Hill, Mont., one German cannon; to the Committee on Military Affairs.

Also, a bill (H. R. 4279) authorizing the Secretary of War to donate to the county of Custer, Mont., one German cannon; to the Committee on Military Affairs.

By Mr. McLAUGHLIN of Nebraska: A bill (H. R. 4280) to provide for the purchase of a site and the erection of a public building thereon at Seward, in the State of Nebraska; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4281) to provide for the purchase of a site and the erection of a public building thereon at Geneva, in the State of Nebraska; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4282) to provide for the purchase of a site and the erection of a public building thereon at David City, in the State of Nebraska; to the Committee on Public Buildings and Grounds.

By Mr. LANGLEY: A bill (H. R. 4283) authorizing the Secretary of War to donate to the city of Prestonsburg, Ky., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4284) authorizing the Secretary of War to donate to the city of Whitesburg, Ky., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4285) authorizing the Secretary of War to donate to the city of Hazard, Ky., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4286) authorizing the Secretary of War to donate to the city of Pikeville, Ky., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4287) authorizing the Secretary of War to donate to the city of Inez, Ky., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4288) authorizing the Secretary of War to donate to the city of McKee, Ky., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4289) authorizing the Secretary of War to donate to the city of Booneville, Ky., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4290) authorizing the Secretary of War to donate to the city of Paintsville, Ky., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4291) authorizing the Secretary of War to donate to the city of Hindman, Ky., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. KINKAID: A bill (H. R. 4292) authorizing the Secretary of War to donate to the city of O'Neill, Nebr., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4293) authorizing the Secretary of War to donate to Fort McPherson Cemetery, McPherson County, Nebr., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4294) authorizing the Secretary of War to donate to the city of Scottsbluff, Nebr., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4295) authorizing the Secretary of War to donate to the city of Callaway, Nebr., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4296) authorizing the Secretary of War to donate to the city of Broken Bow, Nebr., one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 4297) authorizing the Secretary of War to donate to the city of Gering, Nebr., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. LANGLEY: A bill (H. R. 4298) granting additional compensation, according to length of service, to the officers and enlisted personnel of the Army, Navy, and Marine Corps; to the Committee on Military Affairs.

Also, a bill (H. R. 4299) to require the Secretary of War and the Secretary of the Navy to furnish certain data to the adjutants general of the several States; to the Committee on Military Affairs.

Also, a bill (H. R. 4300) to revive the right of action under the act of March 12, 1863 (12 Stat. L., 820); to the Committee on the Judiciary.

Also, a bill (H. R. 4301) to relieve Congress from the adjudication of private claims against the Government; to the Committee on the Judiciary.

Also, a bill (H. R. 4302) to amend an act entitled "An act to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department," approved September 2, 1914, and an act in amendment thereto approved October 6, 1917; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 4303) to increase the rate of pension allowed to Army nurses; to the Committee on Invalid Pensions.

By Mr. SUMMERS of Washington: A bill (H. R. 4304) providing for the investigation of certain lands in the State of Washington with a view to their reclamation; to the Committee on Irrigation of Arid Lands.

By Mr. NOLAN: A bill (H. R. 4305) to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system and to regulate the expenditures of moneys that shall be appropriated for such purposes; to the Committee on Labor.

By Mr. FERRIS: A bill (H. R. 4306) to provide for the purchase of a site and the erection of a public building thereon at Walters, State of Oklahoma; to the Committee on Public Buildings and Grounds.

By Mr. VOLSTEAD: A bill (H. R. 4307) to authorize the Supreme Court to prescribe forms and rules, and generally to regulate pleading, procedure, and practice on the common-law side of the Federal courts; to the Committee on the Judiciary.

By Mr. EVANS of Nebraska: A bill (H. R. 4308) to donate one cannon to the city of Columbus, Nebr.; to the Committee on Military Affairs.

Also, a bill (H. R. 4309) to donate one cannon to the city of Fremont, Nebr.; to the Committee on Military Affairs.

Also, a bill (H. R. 4310) to donate one cannon or fieldpiece to the city of Norfolk, Nebr.; to the Committee on Military Affairs.

By Mr. SMITH of Idaho: A bill (H. R. 4311) to authorize the addition of certain lands to the Caribou National Forest; to the Committee on the Public Lands.

Also, a bill (H. R. 4312) for the completion of the Fort Hall irrigation project in the State of Idaho; to the Committee on Indian Affairs.

By Mr. GRAHAM of Illinois: A bill (H. R. 4313) to authorize the Secretary of War to furnish a German cannon or fieldpiece, with carriage and shells, to the city of Aledo, Ill.; to the Committee on Military Affairs.

By Mr. PLATT: Joint resolution (H. J. Res. 87) authorizing national banks to subscribe to the united war work campaign; to the Committee on Banking and Currency.

By Mr. MASON: Joint resolution (H. J. Res. 88) to repeal sections 800 and 906 of the war-revenue act of 1918, approved February 24, 1919; to the Committee on Ways and Means.

By Mr. LANGLEY: Joint resolution (H. J. Res. 89) extending for a total period of one year the grace period for the payment of premiums on military and naval insurance policies in the case of any honorably discharged officer or member of the enlisted personnel of the Army, Navy, or Marine Corps; to the Committee on Interstate and Foreign Commerce.

By Mr. SMITH of Idaho: Joint resolution (H. J. Res. 90) authorizing the Joint Committee on the Library to provide for the restoration and completion of the historical frieze in the Rotunda of the Capitol; to the Committee on the Library.

By Mr. BLANTON: Resolution (H. Res. 91) providing for an audit of the accounts of the United States Employment Service; to the Committee on Accounts.

By Mr. CRAGO: Memorial from the Legislature of the State of Pennsylvania, favoring the establishment of a system of national highways; to the Committee on Roads.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BANKHEAD: A bill (H. R. 4314) granting a pension to Malinda A. Robinson; to the Committee on Invalid Pensions.

By Mr. BEGG: A bill (H. R. 4315) granting an increase of pension to David Allcut; to the Committee on Invalid Pensions.

By Mr. BLAND of Indiana: A bill (H. R. 4316) granting a pension to Nancy Cochran; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4317) granting a pension to Julia Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4318) granting a pension to Mary J. Titus; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4319) granting a pension to Zelpha I. Eaton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4320) granting a pension to Laura A. Ooley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4321) granting a pension to Maria A. Struman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4322) granting a pension to Eva L. Little; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4323) granting a pension to Alice Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4324) granting a pension to Nancy Bastin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4325) granting a pension to Edgar P. Killion; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4326) granting a pension to John Queen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4327) granting a pension to Fred Hauk; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4328) granting a pension to Seth Cornelius; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4329) granting a pension to G. C. Crawshaw; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4330) granting a pension to Samuel Ash; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4331) granting a pension to William Alliege; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4332) granting a pension to John I. Amy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4333) granting an increase of pension to Simon F. Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4334) granting an increase of pension to William T. Richardson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4335) granting an increase of pension to George W. Lampkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4336) granting an increase of pension to William R. Roark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4337) granting a pension to Adeline Bomgardner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4338) granting an increase of pension to Burnetta Dayton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4339) granting an increase of pension to Eliza C. Clark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4340) granting an increase of pension to Capt. James W. Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4341) granting an increase of pension to John H. Back; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4342) granting an increase of pension to Leander Sawyers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4343) granting an increase of pension to James M. Snoddy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4344) granting an increase of pension to John H. Rusie; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4345) granting an increase of pension to James A. Padgett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4346) granting an increase of pension to B. L. Walker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4347) granting an increase of pension to William Norman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4348) granting an increase of pension to Obadiah McGuire; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4349) granting an increase of pension to James M. Kirk; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4350) granting an increase of pension to E. L. Gilley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4351) granting an increase of pension to William Schooley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4352) granting an increase of pension to Marion Southern; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4353) granting an increase of pension to Asa Stewart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4354) granting an increase of pension to Mathias Berry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4355) granting an increase of pension to Francis H. Powell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4356) granting an increase of pension to Israel Wilkie; to the Committee on Invalid Pensions.

By Mr. CLASSON: A bill (H. R. 4357) granting a pension to Amanda Reynolds; to the Committee on Invalid Pensions.

By Mr. CRAGO: A bill (H. R. 4358) for the relief of Gust Mibleder, formerly a second lieutenant of Infantry, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 4359) granting an increase of pension to George W. Beck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4360) granting a pension to Harry W. Conn; to the Committee on Pensions.

By Mr. CRISP: A bill (H. R. 4361) granting a pension to Charles Brubaker; to the Committee on Pensions.

By Mr. CROWTHER: A bill (H. R. 4362) granting an increase of pension to Alfred Ashton; to the Committee on Invalid Pensions.

By Mr. CURRIE of Michigan: A bill (H. R. 4363) granting a pension to Martha Thornton; to the Committee on Pensions.

By Mr. GRAHAM of Illinois: A bill (H. R. 4364) granting an honorable discharge to Robert Henry McNeal; to the Committee on Military Affairs.

By Mr. KETTNER: A bill (H. R. 4365) granting an increase of pension to Levi W. Easton; to the Committee on Pensions.

By Mr. KING: A bill (H. R. 4366) to remove the charge of desertion from the military record of George H. Webb, alias George Hinman; to the Committee on Military Affairs.

By Mr. LANGLEY: A bill (H. R. 4367) authorizing the President to award a medal of honor to Maj. B. F. D. Fitch for conspicuous bravery rendered on the man-of-war *Varuna* on April 24, 1862; to the Committee on Military Affairs.

Also, a bill (H. R. 4368) granting a pension to Henry Fields; to the Committee on Pensions.

Also, a bill (H. R. 4369) granting a pension to Lee Begley; to the Committee on Pensions.

Also, a bill (H. R. 4370) for the relief of James Clay Colson; to the Committee on Claims.

Also, a bill (H. R. 4371) to correct the military record of Sylvester B. Miller; to the Committee on Military Affairs.

Also, a bill (H. R. 4372) to correct the military record of William Andover; to the Committee on Military Affairs.

By Mr. PARRISH: A bill (H. R. 4373) granting a pension to Robert O. Miller; to the Committee on Pensions.

By Mr. RIDDICK: A bill (H. R. 4374) granting to the trustees of the Methodist Episcopal Church of Bowdoin, Mont., for the benefit of the Methodist Episcopal Church, at Bowdoin, Mont., lots 12 and 13, in block 21, town site of Bowdoin, State of Montana; to the Committee on the Public Lands.

By Mr. STINESS: A bill (H. R. 4375) granting an increase of pension to Jesse Carr; to the Committee on Invalid Pensions.

By Mr. TILSON: A bill (H. R. 4376) granting an increase of pension to Joseph H. Woolaston; to the Committee on Invalid Pensions.

By Mr. WINGO: A bill (H. R. 4377) to correct the military record of Jesse L. Meeks; to the Committee on Military Affairs.

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): Petition of Dr. Hyman Cohen and friends of Jewish people, Chicago, Ill., relating to persecutions and massacres of Jews in European countries; to the Committee on Foreign Affairs.

Also, petition of citizens of Hudson County, N. J., against any repeal or weakening of the war-time prohibition law; to the Committee on the Judiciary.

By Mr. CANNON: Petition of citizens of Jewish faith in the city of Kankakee, Ill., to stop outraging and massacre of Jewish people in European countries; to the Committee on Foreign Affairs.

Also, petition of sundry citizens of Danville, Ill., and citizens of Ridge Farm, Vermillion County, Ill., against repeal of war-time prohibition; to the Committee on the Judiciary.

By Mr. CAREW: Petition of Edward Flash, jr., president of New York Produce Exchange, and Alfred E. Marling, president of Chamber of Commerce, New York, protesting against repeal of daylight-saving law; to the Committee on Agriculture.

By Mr. DYER: Petition of Missouri House of Representatives, relating to laws for National Army and National Guard; to the Committee on Military Affairs.

Also, petition of Nelson Cunliff, commissioner of parks and recreation, St. Louis, Mo., against repeal of daylight-saving law; to the Committee on Agriculture.

Also, petition of St. Louis Label Works, asking that zone rates be retained as they stand; to the Committee on the Post Office and Post Roads.

Also, petition of John Schmall, director department of public welfare, St. Louis, relating to the disposition of beer, wine, and whiskies stored in warehouses; to the Committee on Alcoholic Liquor Traffic.

Also, petition of Bauer Importing Co., Liquor Dealers' Benevolent Association, and William A. Bruckheiser, urging repeal of war-time prohibition; to the Committee on the Judiciary.

Also, petitions of St. Louis Screw Co., Pilley Packing & Flue Brush Manufacturing Co., Standard Heel & Counter Co., Rawlings Manufacturing Co., Whitelaw Bros. Chemical Co., all of St. Louis, Mo., against repeal of zone advances on advertising pages of periodicals; to the Committee on Ways and Means.

Also, petition of C. E. Berg, St. Louis, Mo., asking removal of war tax on automobiles; to the Committee on Ways and Means.

Also, petition of Hess & Culbertson Jewelry Co., St. Louis, Mo., asking repeal of tax on jewelry; to the Committee on Ways and Means.

Also, petition of Evens & Howard Fire Brick Co., Curtis Manufacturing Co., and Bemis Bros. Bag Co., all of St. Louis, Mo., against Department of Labor Employment Service; to the Committee on Labor.

Also, petition of St. Louis jewelers and State retail jewelers, with national jewelers, urging repeal of tax on jewelry; to the Committee on Ways and Means.

Also, petition of Equal Suffrage League of St. Louis, Mo., expressing appreciation of vote in favor of the Susan B. Anthony amendment May 21, 1919; to the Committee on Woman Suffrage.

Also, petition of Fred Warner; A. E. Van Tyne; St. Louis Tennis Association; W. H. Stevens, president of Agricultural Insurance Co.; A. H. Wilkes, superintendent of Metropolitan Life; Charles A. Shafer, superintendent of Metropolitan Life Insurance Co.; Louis Gollin; James Byrne; S. Peterfreund; J. S. Carr, cashier of Chippewa Bank, of St. Louis, against repeal of daylight-saving law; to the Committee on Agriculture.

By Mr. FULLER of Illinois: Petition of the Franklin Motor Car Co., of Chicago, opposing repeal of the postal zone law; to the Committee on the Post Office and Post Roads.

Also, petition of T. J. Nertvey, of Ottawa, Ill., asking postponement of date at which sales of alcoholic liquors now on hand

shall be prohibited; to the Committee on Alcoholic Liquor Traffic.

By Mr. GALLIVAN: Petition of Mr. L. Waldo Smith and 720 others protesting against the 10 per cent tax levied on sporting goods; to the Committee on Ways and Means.

By Mr. GRAHAM of Illinois: Petition of J. D. Piggott, Warsaw, Ill., and C. A. Wegehenke, Hamilton, Ill., for the repeal of the daylight-saving law; to the Committee on Interstate and Foreign Commerce.

Also, petition and memorial of the Christian, Methodist Episcopal, and Union churches, the three Protestant churches of the city of La Harpe, Ill., and on behalf of a majority of the citizens of said city of La Harpe, Ill., requesting the rejection of the President's recommendation to exclude wine and beer from the war-time prohibition act; to the Committee on the Judiciary.

Also, memorial of Lawrence V. Smith and 18 other residents and citizens of Alexis, Ill., and Norwood, Ill., protesting against a modification of the war-time prohibition act to permit the manufacture and sale of beer and wine, as recommended by the President; to the Committee on the Judiciary.

Also, memorial of sundry citizens of Little York, Ill., protesting against the modification of the war-time prohibition act to permit the manufacture and sale of beer and wine, as recommended by the President; to the Committee on the Judiciary.

By Mr. JOHNSTON of New York: Petition of Edward M. Van Cleve, principal of New York Institute for Education of the Blind, relating to H. R. 16016; to the Committee on Education.

By Mr. KELLEY of Michigan: Petition of Woman's Christian Temperance Union, of Fenton, Mich., protesting against repeal of war-time prohibition law; to the Committee on Agriculture.

Also, petition of First Methodist Church, of Oxford, Mich., protesting against repeal of war-time prohibition law; to the Committee on Agriculture.

Also, petition of Methodist Episcopal churches of Lansing, Mich., protesting against removal of ban on sale of beer and wine; to the Committee on Agriculture.

By Mr. KIESS: Petition from Messiah Lutheran Church, of South Williamsport, Pa., urging constitutional amendment against polygamy in the United States; to the Committee on the Judiciary.

Also, petition from citizens of Coudersport, Pa., praying for the repeal of the so-called luxury tax on automobiles and their accessories; to the Committee on Ways and Means.

Also, petition from Newberry Methodist Episcopal Church, of Newberry Station; Mulberry Street Methodist Episcopal Church, of Williamsport; East Main Street Methodist Episcopal Church, of Lock Haven; other citizens of Williamsport; Trinity Methodist Episcopal Church, of Lock Haven; and Renovo District, Clinton County, Sabbath School Association, Renovo, all in the State of Pennsylvania, protesting against the repeal of war-time prohibition legislation; to the Committee on the Judiciary.

Also, petition from citizens of Potter County, Pa., protesting against the repeal of war-time prohibition legislation; to the Committee on the Judiciary.

Also, petition from citizens of Williamsport, Pa., protesting against any repeal of the war-time prohibition legislation; to the Committee on the Judiciary.

By Mr. LINTHICUM: Petition of Charles Wade; P. D. Ruark; Edward Hooper; H. T. Jacobs; Robert H. Anderson; John W. Tracy; N. B. Reeside; Richard Harvey; Harriet Hinkley; Walter Harvey; R. C. Schaeffter, superintendent Metropolitan Life Insurance Co.; George W. Bahlke; Richard T. Barden, president Baltimore Association Credit Men; Edward W. Bartol, superintendent Metropolitan Life Insurance Co.; Albert G. Schumacher; Mary K. Hinkley; Charles F. Reimer; J. K. Voshell; J. Engel & Co.; J. Appleton Wilson; Arthur E. Hungerford; Rev. Frank Hays Staples, vicar St. Paul's Guild House; J. J. Prissman; George C. Howell; A. H. Homberg; H. D. Walsh; 176 persons of Baltimore, Md., protesting against the repeal of daylight-saving law; to the Committee on Agriculture.

Also, petition of Alice J. Reilly and the H. M. Rowe Co., Baltimore, Md., against daylight-saving law; to the Committee on Agriculture.

Also, petition of the Maryland Car Wheel Works, Baltimore, asking for appropriations for railroad equipments; to the Committee on Appropriations.

Also, petitions of Glison's Garage, Cumberland, Md., and Blair Motor Car Co., Baltimore, Md., against tax on automobiles; to the Committee on Ways and Means.

By Mr. McLAUGHLIN of Nebraska: Petition of sundry citizens of Saline County, Nebr., for repeal of the daylight-saving law; to the Committee on Agriculture.

By Mr. MAGEE: Petition of Mr. Charles H. Brown and other residents of the village of Jordan, N. Y., protesting against the daylight-saving law; to the Committee on Interstate and Foreign Commerce.

By Mr. MERRITT: Petition of Summerfield Methodist Episcopal Church, of Bridgeport, Conn., opposing repeal of war-time prohibition bill; to the Committee on the Judiciary.

By Mr. MORIN: Petition of the Herron Hill United Presbyterian Church, of Pittsburgh, Pa., urging the retention of war-time prohibition on beer and light wines; to the Committee on Agriculture.

By Mr. O'CONNELL: Petition of Kaye & Ienstein (Inc.), furriers, of New York, against 10 per cent tax on furs; to the Committee on Ways and Means.

Also, petition of William Bartheman, jeweler, of New York, protesting against sections 900 to 907 of revenue act; to the Committee on Ways and Means.

By Mr. PAIGE: Petitions of Associated Industries of Massachusetts, Frederic C. Hood, president, and from Clinton Chamber of Commerce; C. A. Juckett, Fitchburg; Otter River Board Co.; C. A. Hubbell, president T. R. Almond Machine Co., Gardner; John A. Dunn Chair Co., Gardner; John C. Stevens, Clinton, and Edward E. Ousey, Gardner, superintendents of Metropolitan Life Insurance Co.; M. P. Chace, Webster; Webster Chamber of Commerce; Isaac Jackson, Princeton; Fitchburg Mutual Fire Insurance Co., by L. R. Welch, president, and all employees, all in the State of Massachusetts, protesting against repeal of the daylight-saving law; to the Committee on Agriculture.

By Mr. PETERS: Petition of W. S. Hatch and 80 citizens of Belfast and Waldo, in State of Maine, requesting repeal of daylight-saving law; to the Committee on Agriculture.

Also, petition of E. P. Taylor and 13 other citizens of Burnham, Me., and Ernest E. Bowen and 10 other citizens of Waldo County, Me., for repeal of daylight-saving law; to the Committee on Agriculture.

Also, petition of members of Methodist Episcopal Church, of Ellsworth, Me., protesting against repeal of war-time prohibition laws; to the Committee on the Judiciary.

By Mr. RHODES: Petition of Ed Anthony and others, of Fredericktown, Mo., favoring retention of war-time prohibition; to the Committee on the Judiciary.

By Mr. ROWAN: Petition of Samuel McConnell, James S. Neuman, and M. B. Snavely, protesting against the repeal of the daylight-saving law; to the Committee on Agriculture.

Also, petition of 59 citizens of New York, favoring daylight-saving law; to the Committee on Agriculture.

Also, petition of Southern Association of College Women, held at Columbus, Miss., urging the establishment of a permanent school board service division; to the Committee on Education.

By Mr. ROUSE: Telegram from Newport Civic and Industrial Association, Newport, Ky., protesting against repeal of daylight-saving law; to the Committee on Agriculture.

Also, petition of Newport Civic and Industrial Association, Newport, Ky., favoring daylight-saving law; to the Committee on Agriculture.

Also, telegram from E. T. Gale, Covington, Ky., against repeal of daylight-saving law; to the Committee on Agriculture.

By Mr. SANDERS of New York: Petition of the executive committee of the Monroe County (N. Y.) Farm Bureau, representing 2,000 farmers of Monroe County, urging the repeal of the daylight-saving law; to the Committee on Interstate and Foreign Commerce.

By Mr. SCHALL: Petition of William E. Dunn and others, of Minneapolis, Minn., providing for the Government ownership of railroads; to the Committee on Interstate and Foreign Commerce.

By Mr. SNYDER: Petition of employees of the International Heater Co., of Utica, N. Y., against the repeal of the daylight-saving act; to the Committee on Agriculture.

By Mr. VAILE: Petition by representatives of the colleges and universities of Colorado and others, asking that provision be made for the continuance of the Women's Division of the United States Employment Service and submitting a review of the work of that office; to the Committee on Labor.

By Mr. WASON: Memorial of Berlin Chamber of Commerce, William E. Mathews, managing secretary, urging the retention of the daylight-saving law; to the Committee on Interstate and Foreign Commerce.

By Mr. WOOD of Indiana: Petition containing 607 names of residents of Porter County, Ind., asking that laws be enacted to enforce war-time and national prohibition; to the Committee on the Judiciary.

SENATE.

MONDAY, June 2, 1919.

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we worship Thee. Thou art the author of our liberty. Thy name alone guarantees the perpetuation of our free institutions. Thy thought revealed to us through Thy Word is the guide to the future prosperity and happiness of this great people. We pray Thee to give us hearts responsive to the divine will to work out God's plan for this people, that this Nation may be in God's hands as an evangel of brotherhood and justice and peace among the nations of the earth. For Christ's sake. Amen.

The Secretary proceeded to read the Journal of the proceedings of Thursday last, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

THE PANAMA CANAL (H. DOC. NO. 67).

The VICE PRESIDENT laid before the Senate a communication from the Acting Secretary of State, transmitting, at the request of the chargé d'affaires ad interim of the Republic of Panama, a copy of a note from the Panaman chargé d'affaires, together with a resolution (No. 25) passed by the National Assembly of Panama on February 27 last, asking the Senate of the United States not to change the name of the canal from Panama to Roosevelt, which, with the accompanying papers, was referred to the Committee on Interoceanic Canals and ordered to be printed.

ESTIMATES OF APPROPRIATIONS (S. DOC. NO. 21).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting a letter from the Secretary of the Navy, submitting supplemental estimates of appropriations in the sum of \$16,800 required by the Navy Department for additional employees, fiscal year 1920, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H. R. 3478. An act making appropriations to supply deficiencies in appropriations for the fiscal year ending June 30, 1919, and prior fiscal years, and for other purposes; and

H. J. Res. 67. Joint resolution tendering the thanks of Congress to those who served, or gave others to the service of, the country in the Great War.

The message also announced that the House agrees to the amendments of the Senate to the bill (H. R. 1200) making appropriations for certain expenses incident to the first session of the Sixty-sixth Congress, and for other purposes.

ENROLLED BILL SIGNED.

The message further announced that the Speaker of the House had signed the enrolled bill (H. R. 1200) making appropriations for certain expenses incident to the first session of the Sixty-sixth Congress, and for other purposes, and it was thereupon signed by the Vice President.

MEMORIAL DAY ADDRESS BY THE PRESIDENT IN FRANCE (S. DOC. NO. 20).

Mr. PITTMAN. Mr. President, out of order I ask unanimous consent that the address of the President at Suresnes Cemetery, in France, on Memorial Day be printed in the RECORD and also as a public document.

Mr. SMOOT. I have no objection at all to its being printed either as a public document or in the RECORD, and I would like to have the Senator suggest one or the other.

Mr. PITTMAN. I should like to have it printed in the RECORD for the purpose of preserving it.

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

Mr. PITTMAN. I would also like to ask separately that it be printed as a public document.

Mr. SMOOT. I will say to the Senator that there is virtually an agreement between the two Houses that such printing shall be in one form or the other. If it is printed in the RECORD, it can be sent out exactly the same as if printed as a public document, and there is only that much more expense attached to it when printed in both forms. I dislike to object to the request, but I ask the Senator if he will not consent to simply allow it to be printed in the RECORD.