

To be passed assistant dental surgeons.

Eric G. Hoylman.
Joseph A. Kelly.

To be paymasters.

Ernest H. Barber. John J. Gaffney.
Oscar W. Leidel. Richard S. Robertson.
Herman G. Bowerfind.

To be chief boatswains.

Edwin W. Hill. Julius G. Sanders.
William A. James. Charles A. Dannemann.
John A. Pierce. Andrew N. Anderson.
William R. McFarlane. Thomas M. Buck.
James Roberts. William Martin.
Eugene J. Friehe.

To be chief gunners.

Charles A. Kohls. Robert Semple.
Daniel McCallum. Jesse J. Alexander.

To be chief machinists.

Cyrus S. Hansel. Alfred E. Raue.
Ernest J. Leonard. Albert H. Mellien.

POSTMASTERS.

ALABAMA.

Levi A. Knapp, Auburn.
Charley N. Thompson, Piedmont.

COLORADO.

Robert B. Kerr, Stonington.

IOWA.

Arthur Ingraham, Conesville.
Blinn N. Smith, Coon Rapids.
Ralph K. Russell, Cushing.
Harry L. Emerson, Kenwood Park.
Arvin C. Sands, Mallard.
Freda L. Thompson, Oto.
Ferdinand J. Ruff, South Amana.
Tibbals G. White, University Park.

KANSAS.

Anna E. Waterman, Healy.
Thomas G. Armour, Hutchinson.

MICHIGAN.

Minnie McGuineas, Elberta.

OKLAHOMA.

John W. Bishop, Fairview.
Governor Everidge, Fort Towson.
Thomas J. McNeely, Golttry.

TEXAS.

Art E. Frieze, Silverton.
Ralph H. Kelly, Stanton.

SENATE.

WEDNESDAY, August 9, 1922.

(Legislative day of Thursday, August 3, 1922.)

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

THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7456) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes.

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

The PRESIDENT pro tempore. The Secretary will call the roll.

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

Ashurst	Ernst	McKinley	Shortridge
Ball	Frelinghuysen	McLean	Simmons
Borah	Gerry	McNary	Smith
Brandegee	Glass	Moses	Smoot
Bronssard	Gooding	Myers	Spencer
Bursum	Hale	New	Sterling
Calder	Harrell	Newberry	Sutherland
Cameron	Harris	Norbeck	Townsend
Capper	Heflin	Odell	Trammell
Colt	Jones, Wash.	Overman	Wadsworth
Culberson	Kendrick	Pepper	Walsh, Mass.
Cummins	Keyes	Pomerene	Warren
Curtis	Lodge	Ransdell	Watson, Ga.
Dial	McCormick	Rawson	Watson, Ind.
Dillingham	McCumber	Sheppard	Willis

Mr. CURTIS. I wish to announce that the Senator from Minnesota [Mr. NELSON] is absent on account of a death in his family.

Mr. GERRY. I wish to announce that the junior Senator from Mississippi [Mr. HARRISON] is unavoidably absent.

The PRESIDENT pro tempore. Sixty Senators have answered to their names. There is a quorum present.

Mr. STERLING. I submit an amendment intended to be proposed to section 315 of the pending bill, which I ask may be printed and lie on the table.

The PRESIDENT pro tempore. The amendment will be printed and lie on the table. The Senate under the unanimous-consent agreement will proceed to the consideration of the committee amendment, being paragraph 1427a on page 192, which will be read.

The ASSISTANT SECRETARY. On page 192, after line 2, the committee proposes to insert a new paragraph to read as follows:

PAR. 1427a. Hides of cattle of the bovine species, raw or uncured, or green or pickled, 2 cents per pound; dried, 4 cents per pound.

Mr. WALSH of Massachusetts. Mr. President, my objections to the levying of a duty upon hides and the consequent levying of compensatory and protective duties upon leather, boots and shoes, and other leather manufactures, briefly stated, are as follows:

First. The benefit to the cattle raiser is negligible, as the duty on each hide, even if effective in increasing the price of cattle, will amount to only 1.65 per cent of the value of the animal.

Second. Whatever benefit will inure to any individual or group of individuals by reason of a duty on hides will be chiefly to the packers, as they handle 65 per cent of the domestic hide production, which also constitutes the best quality.

Third. The benefit to the farmer from the tax on hides by the possible insignificant increase in the value of cattle which he may receive through the generosity of the packers will be more than offset by the increased cost which he will have to pay for boots and shoes, harness, and other leather manufactures.

Fourth. The domestic manufacturer of boots and shoes has absolutely no foreign competition; therefore a protective duty on boots and shoes, except for the duties on hides and leather, is unnecessary and will be ineffective. Of course, the duty on hides will increase the cost of production, which the consumer will have to pay.

Fifth. The increased cost of boots and shoes and other leather manufactures by reason of the duty on hides will result in reducing and restricting the expanding export business developed by shoe and leather manufacturers.

Sixth. The increased cost to the consumer and purchaser of shoes and other leather products will result in an unnecessary and indefensible drain of \$110,000,000 on the public for the benefit of the few engaged in the packing business.

Seventh. Many of the progressive farm organizations and practically all manufacturers of boots and shoes desire and have petitioned for free hides, leather, and boots and shoes.

Eighth. It will tend to break up if not destroy the independent tanning industry and extend the packers' growing monopoly of the tanning business.

Ninth. The general public welfare would seem to dictate a policy of free hides, free leather, and free shoes.

Mr. President, two-thirds of the domestic hides are marketed by the packers, and these so-called packer hides are of the better grade because of the more efficient manner in which they are removed. The packers do not buy hides from the cattle raisers. They buy cattle on the hoof, and hides are one of the by-products.

The amount which packers charge up as the proportion for hides in estimating the cost of cattle is an average of 11 per cent. A duty of 2 cents per pound on hides at a price of 14 cents per pound is equivalent to 15 per cent ad valorem, and can only increase the price of cattle on the hoof 15 per cent of 11 per cent, which is 1.65 per cent of the total value of the cattle.

In view of the fact that the duty will amount to such an insignificant increase in the value of the cattle, it is almost certain that it will not be reflected in an increased price of cattle to the cattle raiser. Even if fully reflected it would only amount to an average of \$1.35 per head of cattle at an average price of \$80 a head.

It is very certain, however, in view of the large volume of hides controlled by the packers, that the duty will be reflected in the increased price of hides to the tanners and manufacturers.

It would seem, therefore, that the argument that the farmer will receive an increased price for his cattle—and it is the only argument advanced in favor of the tariff on hides—is most fallacious. Indeed, many progressive and well-informed farm-

ers, fully realizing the effect of a protective duty on hides, do not favor such a tax.

It may be urged that the packers have large packing plants in South America, and because they import hides they will not receive any special benefit from this duty. The fact is that the packers import only a minor portion of the total volume of hides that are imported. As they control about two-thirds of the entire domestic production, the best class of domestic hides, it can be easily seen that they are in a position to make the duty effective by increasing the domestic price to the amount of the tariff. Whatever duty they will be obliged to pay upon their imported hides will be more than offset by the increased price of the domestic hides. Indeed, rather than the farmer receiving any benefit from the increased price of domestic hides, the packers will be in a position to use the increased revenue on the domestic hides to offset the duty which they will be obliged to pay on their imported hides.

Under all the circumstances it does not seem possible that the cattle raiser will receive by reason of a duty on hides any appreciable increase in the price of cattle which he sells to the packers.

But assuming that he does, in view of the fact that the farmer must buy for himself and family boots, shoes, harness, and other manufactures, how is a duty upon hides, which at most will only increase the price of cattle 1.65 per cent, going to be of any permanent benefit to him?

COST OF DUTY TO THE PUBLIC.

Mr. President, the duty on cowhides affects several branches of the leather industry—the shoe industry and leather used in harness, bags, upholstery, and belting. Experts of the Tariff Commission (see Appendix A) have estimated that the proposed duty of 2 cents per pound on hides will result in an increase of 25 cents per pair in the price of shoes made of cowhide in upper and sole and an increase of 15 cents per pair in the price of shoes made with uppers of leather other than cowhide, and not therefore dutiable, but with cowhide soles, heels, and welts, which are dutiable.

According to the census of 1919 the production of shoes included 107,359,294 pairs made of cowhide uppers and soles, which at an increased cost of 25 cents per pair would amount to \$26,839,824 to the consumer. The census for the same year records a production of 214,718,589 pairs made with uppers of leather other than cowhide but with cowhide soles, heels, and welts, which at an increased cost of 15 cents per pair would amount to \$32,207,788 to the consumer. Adding these two amounts together, we find that the total annual cost of the duty on hides—based upon the production of 1919—would be to the ultimate consumers of shoes \$59,047,612.

Since about 6 per cent of the shoe output of this country is exported, it would be more accurate to deduct 6 per cent of this amount, or \$3,542,856, leaving a remainder of \$55,504,755 as the annual increased cost of shoes to the American public as a consequence of the proposed duty on hides.

But it must be borne in mind that the Senate bill levies duties also on leather of various kinds, other than cowhide leather, which, if effective, will make the cost of these leathers higher to the manufacturers of shoes than those made chiefly of cowhide.

Thus, Mr. President, when we have been talking about the increased cost of 25 cents per pair on shoes by reason of the duty upon hides we have had in mind only shoes made chiefly of cowhides.

When we come to consider the cost to the consumer of shoes made chiefly of kid, Russia calf, patent calf, patent calf, and kangaroo we must add the protective duty levied upon the various kinds of shoe leathers, and that means that on shoes the uppers of which are made of these skins and whose soles are made from cowhides the protection which the manufacturer is given is 6 cents per pair, while the materials bear a duty as follows:

In shoes made of—	Cents.
Patent calf—	34
Patent calf—	40
Russia calf—	24
Kid—	33
Kangaroo—	35

I have stated heretofore that shoes the uppers of which are made chiefly of cowhides are in value about one-third of the total production, but in pairs amount to fully one-half.

It is to be noted, therefore, that fully one-half of the shoes in use by the American people will bear a tax to the consumer, if the duties on leather are effective, much greater than 25 cents per pair, and probably will average 40 cents per pair, as stated by Congressman HAWLEY, Republican member of the House committee that drafted this bill.

In view of this exposé, how absurd is the claim that a protective tariff is for the benefit of the workmen of America,

when the leather used by the shoe manufacturers bears a tax of from 24 to 40 cents per pair and the finished shoe can be imported for a tax of only 6 cents.

The duty upon harness and saddlery in the pending bill is 35 per cent ad valorem. Harness is made entirely of cowhides and so is a great part of saddlery. The combined production is estimated as valued at \$84,000,000 in 1919, and on this amount the duty of 35 per cent in the pending bill will increase the cost of harness and saddlery about \$29,400,000.

The domestic production of miscellaneous leather goods in 1919 was valued at \$53,000,000, and at a 40 per cent duty, as provided in the pending bill, the increased cost would be \$21,200,000.

Therefore, the aggregate cost to the public of the duties on hides, leather, boots, and shoes will be about \$110,000,000 without any allowance being made for the increase by reason of the duty on leathers other than that of cowhide. Estimating the farming population at about 30 per cent, the portion which the farmers will have to pay will be \$33,000,000, again excluding the increased cost of those shoes made of leather other than cowhide.

On the other hand, what can the farmers at most hope to receive from the increased costs which the public will have to pay? There are slaughtered annually about 12,000,000 cattle, of an average value of \$80 per head, making a total value of \$960,000,000 received by the cattle raisers. An increase of 1.65 per cent in the price of cattle to the cattle raisers, assuming they will receive the full benefit of the proposed duty on hides, will amount to \$15,840,000, and of course only a small percentage of the farmers of the country are engaged in the raising of cattle.

Thus we find that the farmers, who can only hope to receive at the most \$15,840,000 in increased prices for their cattle as a result of the proposed duties, are certain to be taxed considerably more than \$33,000,000 for the leather products they require.

THE FINANCE COMMITTEE'S ESTIMATE INCORRECT.

Mr. President, of course this estimate will be questioned; in fact, on May 17, in addressing the Senate, the Senator from North Dakota, chairman of the Senate Finance Committee, made the following astounding statement:

Mr. President, there is one thing in relation to the tariff upon hides which the American people generally do not understand.

There is a general impression that if a duty of 2 cents per pound on raw hides or 4 cents per pound on dried hides shall be imposed the price of all shoes will thereby be increased. The country does not generally understand that the shoes that the American people wear are not made of cowhide; nothing but the heels and soles are of cowhide.

I think that practically 99 per cent of the shoes that are made and worn in the United States have for their uppers calfskins or some other material. The only part that is taxed or affected by reason of the tariff is the sole and the heel; and I do not think that that will, as a rule, add more than 8 cents on a pair of shoes—

And so forth.

It seems incredible that the chairman of the Finance Committee would make such a statement in the light of the well-known and easily obtainable facts. He evidently is wholly misinformed on this subject. Of course, such a statement repudiates and invalidates the whole hide and leather schedule of this bill. If the information on which the committee acted is that the duties levied on hides and leather will affect only the uppers of 1 per cent of the shoes manufactured in this country, it is evident that the committee did not write the leather schedule, or if they did they did it without obtaining any accurate information as to the very great extent and importance of the use of cowhides in the manufacture of shoes.

It seems almost asinine to have to controvert such a statement, for, in addition to this duty on hides, the paragraph levying duties upon leather fastens a tax upon every pair of shoes made in America.

The duty upon hides affects chiefly shoes made of cowhide, which constitute over one-half of the total production, instead of 1 per cent; but the leather duties will put a tax upon every kind of leather, which, of course, means that the shoe manufacturers will have to pay more for every kind of leather used in shoes if the duties become effective.

If the Senator doubts my statement about the crass inaccuracy of his statement as to the general use of cowhide for uppers, I could submit letters from leading manufacturers (see Appendix B), numerous references and discussions of the subject by the Tariff Commission, and an authoritative statement from the Tanners' Council, which represents the active members of the leather trade, giving accurate figures showing the various kinds of leather produced in the country during the six months from October 1, 1921, to April 1, 1922.

These figures show that there was made during that period and used in the United States—exports having been deducted—

194,209,557 feet of leather made from cowhides and 163,315,049 feet of leather made from calf, kip, veal, kid, and goat skins. Over 54 per cent of the leather made was cowhide.

THE DUTY ON SHOES AN ABSURDITY.

The absurdity of a protective tariff on boots and shoes based upon the theory of meeting the difference between the manufacturing costs in America as compared with the foreign manufacturing costs, which is claimed by Republicans to be their theory of protection, can be fully appreciated when we realize that there is practically no importation of boots and shoes made of cattle hides. Indeed, we are exporting very heavily, for we are making shoes so cheap and so superior in America that we are meeting all foreign competition.

The shoe and leather industry originated and developed in New England and has proved one of the greatest steps forward, industrially, that has characterized this era of industrial progress. Perhaps many of this body have not in mind the fact that until New England inventive genius developed the modern shoemaking machinery the old-fashioned hand methods of making shoes prevailed throughout the world. When the "forty-niners" left the East for the gold fields of California shoes were being made everywhere substantially as they were being made when Columbus discovered America. The process was so slow and expensive that very few of the people were properly shod. The making of shoes by machinery in large factories as now conducted in all the advanced countries of the world is wholly the result of American initiative and American invention, and the cradle of the art was in Plymouth County, Mass.

In consequence of the achievement of these American shoemakers the people of the United States have been better shod and at a less cost—though during and following the war the prices became exorbitant—than any people in the world, and to-day the manufacturing countries of the Old World have adopted our methods and our machinery and are sharing in the blessings that have been provided for them by the shoemakers of New England.

At the present time the New England method of making shoes has spread itself very generally over the whole country.

Shoes are now manufactured in many different States, Pennsylvania, Ohio, Missouri, Wisconsin, and New York being the largest producers outside of New England, so that it is true that, while every part of the country is interested to oppose this mischievous tax, to New England and the shoe and leather industries centered there it is of supreme importance. Besides supplying the home market, the manufacturers of shoes and leather in all sections of the country have built up a very considerable export trade in their commodities. At this time, when some exchange of goods with our foreign neighbors seems to be absolutely essential to the welfare of the world, anything that interferes with the business already established or hinders its development is clearly against public policy and should not be encouraged. That the proposed tax on hides will produce this result is beyond question.

THE SHOE INDUSTRY UNEXCELLED IN EFFICIENCY.

Mr. President, the shoe industry in the United States leads the world in efficiency, in quality, and in volume of output.

The points of leadership in the shoe industry in the United States may be summarized as follows:

1. Better machines.
2. Leadership in styles.
3. Superior organization.

The foreign industry's only advantage is its lower wage scale. But shoe operatives in the United States are admittedly much more efficient than labor in foreign factories.

It is not out of place to call attention at this time to the fact that there is probably no industry in this country outside of some branches of the steel industry where higher wages are paid.

Census statistics indicate that wages in the shoe industry are among the very highest paid in the country. It is also undisputed that women operatives in the shoe factories are paid higher wages than in any other industrial occupation in which women are employed.

The hours of labor, sanitary conditions, and general living conditions in the communities where the shoe industry exists are unexcelled in any other industrial community.

It is significant that this industry has, with practically no tariff protection, developed into one that provides more comforts and better conserves the health of its operatives and pays much higher wages than the industries which have enjoyed for years high protection.

It is also to be noted that the absence of protective duties has kept the industry upon a strictly competitive basis and, unlike many other industries, free from monopolistic control.

TAX ON HIDES WILL DESTROY FOREIGN MARKET.

Shoes can not be made from taxed hides as cheaply as from free hides. The foreign markets for shoes which have recently been acquired by our New England merchants and manufacturers were formerly in the possession of the English and German manufacturers. The ease and completeness with which they will recover these markets if we tax our manufacturers out of the business is not a pleasant thing for the American people to contemplate. At a time also when industries are idle, many of our people are unemployed, and the public generally is refusing to buy in normal quantities to meet the necessities of life, for the reason that prices are still too high to correspond with their income, it is a very serious matter to levy a tax which will increase the cost of shoes for every family in every community and in every State in the Union.

This tax, if levied, would increase the cost of the manufacturers' raw material by approximately thirty millions of dollars. I am figuring that the imported hides, amounting to millions of pounds, would, of course, pay the tax, while the holders of hides in this country would naturally market them on the basis of the foreign price with the duty added. There can be no question as to this result. This is what the tax is put on for. The proposers of this tax claim that by it they can increase the price of hides, and so make the animal bearing the hide of greater value to the farmer. I believe this theory is a mistaken one, and the tax will ultimately result to the farmer's disadvantage; but assuming they are correct, it is clearly beyond dispute that they are going to increase the cost of the raw material of the shoemaker by many millions of dollars.

It is obvious, then, that in addition to the loss to our merchants of their export business the people of the country must be taxed many millions for their boots and shoes. A share of this amount added to the daily cost of living of every family and bearing more heavily on the poor than on the rich creates a condition which the Senators advocating this bill will have hard work to justify. They should show first that it protects some struggling infant industry that without its help would perish. They can show no such thing. No man in this country ever embarked in the business of raising or producing hides. Hides are the by-product of the cattle-raising industry.

Mr. President, the proposal to tax hides is an imposition on the American public. By this duty the leather industries of the country would be seriously crippled, the workmen of the country would be deprived of needed employment, and the people of the country would sustain a tremendous loss through their family expenses, and all for the benefit of some intangible, unknown beneficiary. Such a proposition is so uneconomic as to be preposterous and does not deserve the serious consideration of this body.

Mr. President, a protective duty levied for the benefit of the manufacturer of boots and shoes is camouflage. It can not be effective. It is a fake. There are no imports and the domestic business is on a competitive basis.

The duty on hides, however, will be effective. It will be effective first to the manufacturer who will have to pay more for the hides that are used in the manufacture of shoes and ultimately it will be effective to the consumer when he purchases shoes; it will also be effective in crippling the tanning industry.

Instead of levying an ineffective protective duty for the alleged benefit of the manufacturers, if Congress really wanted to help the shoe industry it would provide for free hides and lower the duties on the other materials used in the manufacture of shoes instead of placing a duty on hides and increasing all other duties.

EFFECT ON TANNING INDUSTRY OF DUTY ON HIDES.

Mr. President, the tanning industry, which this duty on hides will seriously affect, is divided into two groups, (1) the packer tanners and (2) the independent tanners.

The independent tanning industry is one of the oldest industries of this country. The industry has been so well managed and has progressed to such an extent that we have developed a very extensive export trade of tanned leather, especially kid. The reputation of the American tanning industry for superiority of workmanship has become recognized throughout the world, and this has been due to the initiative and enterprise of the independent tanners.

It is estimated that there are about 700 of the so-called independent tanning establishments scattered throughout the country, principally located in the vicinity of Chicago and the Atlantic seaports. Most of them are small concerns employing comparatively few employees; but among them are two large companies that have been organized by combining smaller concerns. These two companies—the American Hide & Leather Co., which tans upper leather, and the United States Leather Co., which tans sole leather—are in active competition with each

other and all other tanners. Throughout the entire industry there is genuine competition without any suspicion of combining to control prices or to stifle competition.

About 15 years ago the packers of Chicago entered into the business of tanning hides, which was undertaken to give them a more complete control of the hide market; that is, when they could not obtain a price as high as they thought they should receive they could tan the hides. This branch of the packers' business has rapidly developed owing to the packers' control of the tanners' raw material. The hides that are taken off in their own establishments can be tanned or sold as best suits their interest, while the independent tanner must go into the market and buy either the high-priced hides from the packers or buy the inferior hides from the local cattle slaughterers. It is apparent, therefore, that the packer tanners have a decided advantage by reason of having control of the higher grades of raw material.

To what extent the packers are able to influence and control the tanning business can be appreciated when we understand that 60 per cent of the hides produced in America are taken off by the packing houses. In addition to this their subsidiary agencies throughout the country buy hides that are taken off locally. The advantage of the control of this raw material has enabled them to expand rapidly and extensively their tanning industry. It is estimated that they now tan at least 50 per cent of the heavy leather of the country and from 20 to 30 per cent of the lighter leathers used for uppers.

The brief of the National Boot and Shoe Manufacturers' Association on "Free Hides in relation to leather and shoe industries" confirms these assertions:

Very briefly stated, the situation is this: The packer comes into the possession of his hides when he buys his animals for beef, and the price paid for the hides is, of course, the same as paid for the remainder of the carcass. The price of the complete animal is invariably less than the price of the hide. Consequently, if steers are bringing 12 cents a pound on the hoof, the hide costs the packer 12 cents, while the market price of the hide at that moment may be 16 cents, and the independent tanner must purchase it at 16 cents. If the packer sees fit to charge up these hides to his own tanneries or tanning accounts, he can charge them at any price he sees fit, and the loss, if any, in the price of the hide may be distributed over the price of the other parts of the animal where competition may not at the moment be so close. Under such conditions the temptation to manipulate the market is irresistible.

If prices of hides are low and the demand inactive, the packer can dispose of his hides readily to his own tanneries and stock the tanneries of other tanners who will tan for him at a fixed price per pound. When trade becomes more active and there is a demand for hides, he can put up his price and force his competitor, the independent tanner, to pay materially more than his hides stand him in his own tanneries. When the leather is finished he can undersell his competitor and make a round profit on the transaction, while the situation of his competitor, as far as profit is concerned, is hopeless.

The Federal Trade Commission, speaking on this subject, said:

This situation raises a serious question as to how far this extensive encroachment on a basic industry in which they virtually control the raw material is safe for the public interest. They can place every tanner using the more desirable grades of hides, particularly the heavier hides, in a position of paying the price that they may ask or of taking the risk of encountering further competition in the leather industry from them. They may not be able to put a tanner out of business at once, but they have the power to do it if they are so disposed.

Mr. President, the development of the tanning business among the packers has been so great that it is safe to say that in the year 1921 an independent tanner could hardly be found who was not tanning hides for the packers.

In addition to this very great advantage enjoyed by the packer tanners over the independent tanners, the levying of a tariff duty on hides will still further handicap, if not ruin, the independent tanners.

The packers will not be injured by the tariff, because they never buy hides and will not have to pay any duty. The independent tanners buy all of their hides and will have to pay the world price plus the duty.

The only way the packer can be affected would be by a reflection of the duty upon hides in increasing the price of cattle; but as the packer controls the price of cattle on the hoof, the levying of a tariff duty would be without effect so far as he is concerned.

Will the producers benefit by this duty upon hides? This question has been discussed pro and con and many divergent opinions have been expressed, but the best answer can be found in the brief of the American Farm Bureau Federation, filed with the Senate Finance Committee (page 4491 of the hearings):

Cattle production needs stimulation, but the increased return from 15 per cent on 63 per cent of the weight of the animal is so small as to be of no importance as a means of increasing cattle production. The cost to consumers of leather products would more than offset the increased return to hide producers even if all the increased price was passed on to the producers, of which there is no assurance. Therefore we believe that hides, leather, and leather products should remain on the free list.

As evidence that there is and has been in the past no genuine competition between packers in fixing the price of cattle, the report of the Federal Trade Commission for 1919 or the revision of that report for 1921 may be cited, wherein it was demonstrated that packers fixed prices at the different yards and that the prices were all uniform.

It requires no mental acumen to understand that the effect of levying the proposed duties upon hides means a death blow to the independent tanning industry and another step to extend and stabilize the packers' monopoly by clinching their hold upon the tanning industry and consequently placing the American leather industry at their mercy.

RAMIFICATIONS OF PACKERS IN CONTROLLING THE MARKET PRICE OF CATTLE AND SHEEP.

There is a growing belief in the country that the packers have been loaning large sums of money to sheep and cattle raisers through the commission dealers that buy the cattle and sheep from the raisers for the packers. Evidence is available that this method is in operation between the packers and sheep raisers, and there is little doubt but that the same method is being practiced in the cattle industry.

To what extent the American public is at the mercy of the packers can be appreciated when we realize that their ramifications run from the financing of the stock raisers to the marketing of the tanned hides to the shoe and leather industries of the country. Indeed they have even gone so far as to threaten to go into the manufacture of shoes and other branches of leather manufacturing.

Are the representatives of the American people to aid the Packers' Trust to strangle all the tanning, leather, and other kindred industries of this country by levying tariff duties on hides? Is there to be no check placed on the tendrils of this octopus reaching out to destroy or corral all the little tanning and leather plants located in all parts of the country?

The survival of the independent tanning industry and the independent leather manufacturers of this country depend more than anything else upon the privilege of purchasing hides and leather wherever they please, in a free, open, and competitive market. The placing of a protective tariff duty on hides, plus the other advantages which the packers enjoy by reason of their control of the domestic supply of hides, will put the packers in an impregnable position to create a tanning and leather goods monopoly. A vote for a duty on hides is a vote for the packers—a vote against the interest and prosperity of the tanning, boot and shoe, and leather industries as heretofore conducted, and an invitation to the packers to exploit, crush, and destroy the numerous small and independent industries competing with each other in the tanning of hides and manufacture of leather products.

EFFECT ON SHOE INDUSTRY OF DUTIES ON OTHER LEATHERS.

Mr. President, it is apparent from an examination of the duties levied in the Senate bill on the various kinds of leather and the compensatory and protective duties levied in the interest of the shoe manufacturer, as well as the statement made by the chairman of the committee in discussing the tariff on hides, quoted above, that the committee was without any accurate information or specific knowledge of the boot and shoe industry.

The only duty levied for the benefit of the manufacturer of boots and shoes is as follows:

Boots and shoes, made wholly or in chief value of leather made of hides of cattle of the bovine species, 12 cents per pair and 5 per cent ad valorem; all other boots and shoes made wholly or in chief value of leather, not specially provided for, 6 cents per pair.

This means that the heavier shoes, worn largely by workmen and mechanics, are protected in proportion to the duty on the material from which they are made, but the duty of 6 cents per pair on all other shoes covers the shoes made of calf, kid, patent leathers, kangaroo, and other kinds of fine upper leathers from which the more expensive shoes are made and in which the labor cost is very great. These shoes are protected by a tariff of but 6 cents per pair, which we assume is compensatory for the increased cost to the manufacturer because of the increased cost the hide tax puts upon the sole leather used in this class of shoes.

It is to be noted, however, that shoes made of patent colt, patent calf, Russia calf, kid, kangaroo, are given no compensatory duty except in so far as the 6 cents per pair covers the compensatory duty by reason of the duty on the cowhide used in the soles.

Yet the Senate bill, in addition to a duty levied upon cowhides in the sole, fixes a duty upon all other kinds of skins used in the manufacture of shoes when they are imported as leather.

These duties levied on finished leathers other than cowhide would, if effective, increase the cost of this class of shoes from 18 cents per pair to 34 cents per pair.

In other words, the manufacturer of shoes made of these leathers must bear a protective duty ranging from 18 cents to 34 cents and no compensatory duty at all has been provided.

Of course, the manufacturer will not suffer unless serious foreign competition develops, but his cost of production will be increased and he will pass this cost on to the consumer.

It would seem as if what I have already said would be sufficient to consign this entire schedule to oblivion, but unfortunately this is not the end.

An examination of the bill shows a long list of articles used in the manufacture of leather and shoes on which existing tariff rates have been increased. Included in this list are the hides and leather to which I have already referred, but, in addition, there are many other items, such as cotton drilling, rubber heels, shoe pegs, shoe buttons, cement, etc.

TARIFF DUTIES INCREASED UPON MATERIALS USED IN MANUFACTURE OF SHOES.

Mr. President, the shoe industry is another illustration of the extent the industries of the country are to be burdened by increased tariff duties upon materials used in manufacturing their finished product.

Fifty commodities used in the manufacture of shoes are taxed. Twenty-five of these commodities have heretofore been on the free list, but under the pending bill are to be placed upon the dutiable list. The rates on 25 other articles used by shoe manufacturers which are already on the dutiable list have been increased on the average of 92 per cent, three rates have been increased 200 per cent or more, eight rates have been increased 100 per cent or more, and eight have been increased between 50 and 100 per cent, leaving only six increases of 50 per cent or less.

In view of these increased duties on the materials necessary in the manufacture of shoes, who dares to predict what will become of this industry? Surely the export business will disappear, for the foreign trade will not pay the advance in prices necessitated by the increase in the cost of production; and of course the price of shoes in this country will be very materially advanced.

The following table contains some of the principal materials used in the manufacture of shoes and indicates the increased rates of duty levied in the pending bill:

Increase of tariff duties upon materials used in manufacture of shoes.

Commodity.	Senate rate.	Present rate.	Increase over present rate.	Per cent of increase.
Sole leather.....	3 cents per pound and 5 per cent ad valorem.	Free.....	3 cents per pound and 5 per cent ad valorem.	Removed from free list.
Calf and veal skins, tanned and dressed.	15 per cent ad valorem.	.....do.....	15 per cent ad valorem.	Do.
Patent, of cattle hides.	7½ cents per square foot and 15 per cent ad valorem.	.....do.....	7½ cents per square foot and 15 per cent ad valorem.	Do.
Patent, not of cattle hides.	5 cents per square foot and 15 per cent ad valorem.	.....do.....	5 cents per square foot and 15 per cent ad valorem.	Do.
Upper leather, n. s. p. l., of cattle hides.	2½ cents per square foot and 15 per cent ad valorem.	.....do.....	2½ cents per square foot and 15 per cent ad valorem.	Do.
All other upper leather, n. s. p. l.	15 per cent ad valorem.	.....do.....	15 per cent ad valorem.	Do.
Cotton drilling.	20 per cent.	10-12½ percent	7½-10 per cent.	75-100.
Heels, wood.....	25 per cent ad valorem.	15 per cent ad valorem.	10 per cent ad valorem.	66½.
Heels, rubber.....	.....do.....	10 per cent ad valorem.	15 per cent ad valorem.	150.
Shoe pegs.....	.....do.....	15 per cent ad valorem.	10 per cent ad valorem.	66½.
Blackings, paste, and polish.	.....do.....	.....do.....	.....do.....	66½.
Shoe buttons.....	45 per cent ad valorem.	.....do.....	30 per cent ad valorem.	200.
Leather welting..	40 per cent ad valorem.	30 per cent ad valorem.	10 per cent ad valorem.	30.
Shoe-machine needles.	\$1.15 per 1,000 and 40 per cent ad valorem.	Free.....	\$1.15 per 1,000 and 40 per cent ad valorem.	Removed from free list.
Cement.....	20 per cent ad valorem.	10 per cent ad valorem.	10 per cent ad valorem.	100.
Cut shoe stock, leather (box toes, heels, counters, shanks, soles, etc.).	5 per cent in addition to the duty on the leather from which it is cut.	Free.....	5 per cent.....	Removed from free list.
Cod oil.....	12½ cents per gallon.	.....do.....	12½ cents per gallon.	Do.

Increase of tariff duties upon materials used in manufacture of shoes—Continued.

Commodity.	Senate rate.	Present rate.	Increase over present rate.	Per cent of increase.
Menhaden oil.....	5 cents per gallon.	3 cents per gallon.	2 cents per gallon.	66½.
Sod oil.....	.....do.....	.....do.....	.....do.....	66½.
Degras, crude.....	½ of 1 cent per pound.	½ of 1 cent per pound.	½ of 1 cent per pound.	100.
Currier's knives and shoe knives.	3 cents, 10 cents, or 20 cents each and 55 per cent ad valorem.	25 per cent ad valorem or 30 per cent ad valorem.		90.
Castor oil.....	4½ cents per pound.	12 cents per gallon.	24 cents per gallon.	200.
Cottonseed oil.....	2 cents per pound.	Free.....	2 cents per pound.	Removed from free list.
Linseed oil.....	3½ cents per pound.	10 cents per gallon.	13 cents per gallon.	130.
Extracts.....	25 per cent ad valorem.	Free.....	25 per cent ad valorem.	Removed from free list.
Hides of cattle, green or pickled.	2 cents per pound.	.....do.....	2 cents per pound.	Do.
Hides of cattle, dried.	4 cents per pound.	.....do.....	4 cents per pound.	Do.

CONCLUSION.

Mr. President, if you think the manufacturers of boots and shoes are deceived or misled by the picayune protective duty you propose to levy upon boots and shoes, and will accept without a protest the high duties on the materials they use, you evidently have not a very high estimate of their intelligence and spirit.

If the interest of the domestic consumer does not concern Congress may I again urge that we do nothing here to destroy the large export business which has been built up by this industry—an export business amounting during the first nine months of 1921 to about \$22,000,000.

How little this industry needs protection from foreign competition may be fully comprehended when we realize that forty-four times as many shoes are exported as the total importation which was less than \$500,000 in value in 1919 as compared with a total domestic production of over \$1,000,000,000.

Of course, the higher the cost of production the less likely the American manufacturers will be able to increase, or indeed hold, their former export business.

Mr. President, the manufacturers of shoes very frankly and, I believe, patriotically ask that they be given free hides in order to further expand and develop the shoe industry. They ask for no protective duty. Above and beyond the interest of the manufacturers or packers or cattle raisers is the American public, and they unhesitatingly and emphatically demand that no duty be levied on hides, leather, or boots and shoes.

Mr. President, I ask unanimous consent to insert as an appendix to my remarks, in 8-point type, a memorandum showing the additional cost of boots and shoes, and so forth, if the proposed duty on hides shall be adopted; and also certain letters bearing upon the subject under discussion.

The PRESIDENT pro tempore. Without objection, it is so ordered.

APPENDIX A.

MEMORANDUM PREPARED BY EXPERTS SHOWING THE ADDITIONAL COST OF BOOTS AND SHOES DUE TO THE DUTY ON HIDES, DUTIES ON TANNING MATERIALS, AND ADDITIONAL INTEREST CHARGES FOR CARRYING HIDES AND TANNING MATERIALS AT HIGHER PRICES.

The number of boots, shoes, and slippers made in the United States in 1919 was 330,644,202 pairs. Of this number, 8,566,321 pairs were slippers. Deducting the number of slippers, the total number of boots and shoes was 322,077,881 pairs. It is estimated that of this number one-third had uppers made of cowhide leather. The data given by the Census Bureau did not show the cost of the different kinds of material which go into the manufacture of boots and shoes; consequently the estimate is based on the census figures for the upper leather manufactured in this country in 1919. The units of quantity are not all the same, and therefore the value of the leather produced was taken as the basis of the proportion. The total value of all kinds of upper leather made in 1919 was \$425,768,151. The value of upper leather made of cowhide, the greater part of which was the so-called "side upper leather," was \$142,276,588, or 33 per cent of the value of all the upper leather made.

The duty on green hides has been fixed at 2 cents per pound under the present bill. The compensatory duty on shoes made in chief value of cowhide has been placed at 12 cents a pair, because it takes about 6 pounds of hide to produce the leather used in making one pair of shoes. The compensatory duty on

shoes made in chief value of leather other than cowhide has been placed at 6 cents a pair. The value of the upper is usually about the same as the value of the sole, including the inner sole, welt, and heel. The compensatory duty on shoes made in chief value of leather other than that made of cowhides is compensatory for the increased price of the sole due to the duty on cattle hides.

The average hide which is used for shoe leather weighs about 60 pounds green. The additional cost per hide on account of the duty should therefore be figured at \$1.20. Since 6 pounds of hides are necessary to make one pair of shoes, on the average, the number of pairs which can be obtained from a hide is 10. The additional cost per pair would therefore be 12 cents, the amount fixed as compensatory duty. It is true that only the better part of the hide can be used for soles and in the case of the lighter cowhides for uppers, but the offal—i. e., waste parts from around the edge of the hide—can be used for inner soles, heels, and so forth. All parts of a hide are therefore suitable for some part of a shoe. The cutters of boot and shoe stock utilize every part of the hides which they cut. It is accurate to say, for example, that a thousand pairs of shoes can be made from a hundred hides. It is just as nearly correct to figure in this way as it would be to figure the cost of first-class soles or uppers and to deduct therefrom the amount received for the offal.

We have as a basis, therefore, an additional cost of 12 cents per pair of shoes with both the upper and sole made of cowhide and 6 cents per pair as additional cost on account of the duty on shoes with only the soles made of cowhide. A certain amount must be added to this for the additional interest charge for carrying the hides, leather and shoes at higher prices. The hide will cost \$1.20 more on account of the duty. The tanner carries the hide in stock for about six months before he sells it in the form of leather. The interest on this additional cost, figured at 6 per cent per year, is \$0.036. He must sell the leather therefore for \$1.236 extra. Every leather merchant to whom he sells leather must figure interest for six months, at the same annual rate, because leather is usually carried for that length of time before it is made into shoes. This makes the additional cost to the shoe manufacturer \$1.273. The shoes are usually carried in stock by manufacturer or dealer for six months before being sold to the consumer, entailing another interest charge. The additional cost of the hide when it is finally sold to consumers in the form of shoes is therefore \$1.31. The additional cost on account of the duty alone has already been figured at \$1.20, so that the extra amount due to the interest is \$0.11, or 1.1 cent per pair on shoes made entirely of cowhide and fifty-five one-hundredths of 1 cent per pair on shoes which have soles of cowhide and uppers of some other kind of leather.

The interest element must also be considered in connection with the cost of tanning materials. The tanning materials used in the manufacture of sole leather cost about 3½ cents per pound of leather. This includes the tanning extract, oils and greases, and necessary dyestuffs—which are not used in the manufacture of sole leather but are used in the making of most kinds of upper leather. Oils, greases, and tanning extracts were free under the act of 1913. Oils and greases, such as are used in manufacturing leather, are dutiable under paragraphs 49 and 50 of the present bill at 20 per cent ad valorem. The duty on tanning extracts is 25 per cent ad valorem under paragraph 36. The duties on the different kinds of dyes vary considerably, but on some kinds is considerably in excess of 100 per cent.

There are 8 square feet of upper leather in the average pair of shoes; at 2 cents per square foot the cost of the materials in the uppers of a pair of shoes would be 6 cents. There are 2 pounds of leather in the outer and inner soles, heels, and welts of the average pair of shoes. Army field shoes and heavy working shoes weigh about 4 pounds per pair. At 3½ cents per pound of leather, the cost of the tanning materials in the soles of the average pair of shoes is 7 cents. Adding together the 6 cents for the uppers and the 7 cents for the soles, the total value of the tanning extracts, oils, greases, and dyestuffs in a pair of shoes is 13 cents. The cost of these materials will be increased about 25 per cent by the duties mentioned above, or 3¼ cents per pair of shoes. This increase is the same on shoes with uppers made of cowhide as on shoes with uppers of some other kind of leather.

Adding together the 12 cents additional cost per pair of shoes with uppers of cowhide due to the duty of 2 cents per pound on hides, the 1.1 cents on account of interest charges for carrying leather and shoes, the hides at higher prices, and the 3¼ cents per pair on account of the duties on tanning materials, and the result is 17.35 cents additional per pair. Adding to the original 6 cents per pair on shoes with uppers of other than cowhide

leather the fifty-five one-hundredths of 1 cent per pair for interest charges and 3¼ cents per pair for additional costs of tanning materials, the result is 9.8 cents additional cost per pair.

It is a well-known fact that the prices of shoes are increased by gradations in which multiples of 5 cents are frequently used, the cheaper shoes usually increasing about 5 cents, 10 cents, or 15 cents per pair and the better shoes by 20 cents or 25 cents or more per pair. It is not probable, therefore, that shoes made of cowhide would increase by exactly 16.35 cents per pair, or that shoes with uppers made of leather other than cowhide would increase by exactly 9.8 cents per pair. It is more likely that shoes of the first-named variety would increase 25 cents per pair and shoes of the second-named variety would increase by about 15 cents per pair. There are certain other elements of cost which have not been included, as, for example, increased interest charges for carrying tanning materials at higher prices, increased cost of thread due to high duties, and so forth.

If the 107,359,294 pairs of shoes made chiefly of cowhide were to be increased in price by 25 cents per pair, the additional price per year paid by consumers would be \$26,839,824. If the 214,718,587 pairs made in chief value of leather other than cowhide—that is, having cowhide soles, heels, and welts and uppers of calfskin, goatskin, and so forth—were to be increased in price by 15 cents per pair, the additional cost to the consumers would be \$32,207,788. Adding these two amounts together, we find that the total annual cost of the duties to consumers of shoes would be \$59,047,612.

Since about 6 per cent of the shoe output of this country is exported, it would be more accurate to deduct 6 per cent of this amount, or \$3,542,856, leaving a remainder of \$55,504,755 as the increase in annual cost. If the shoes made in chief value of cowhide leather should be increased in price only 20 cents per pair and the balance of the domestic production only 10 cents per pair, after making deduction for the 6 per cent of the output which is exported, the total increase in cost to consumers would be \$40,367,095.

APPENDIX B.

INTERNATIONAL SHOE CO.,
St. Louis, Mo., June 5, 1922.

MR. CHARLES H. JONES,
The Commonwealth Shoe & Leather Co., Boston, Mass.

DEAR MR. JONES: As you know, our company manufactures a general line of shoes, both dress and work shoes, for men, boys, women, girls, and children. Our production is probably the most representative in America to meet the universal demand and consumption of shoes.

We are operating a large number of factories and seven tanneries, three of which are upper leather, four sole leather. These tanneries are operated exclusively on cowhides.

Based on our actual upper-leather requirements for last week, which was a normal week with all of our factories in operation, our consumption of upper leather was as follows:

	Per cent.
Cowhides (sides)	53
All other upper leathers	47
Estimating that outsoles, insoles, counters, heels, etc., require footage equal to that consumed in uppers, the percentage of shoes made from cow and steer hides or cattle hides weighing more than 25 pounds would be approximately—	
	Per cent.
Cowhides	77
All other leathers	23

I hope the above figures may be of service to you.

Yours truly,

F. C. RAND.

FARM BUREAU FEDERATION BRIEF.

In the last paragraph of this brief, found on page 4493, they sum up the situation in the following words:

"Cattle production needs stimulation, but the increased return from 15 per cent on 6½ per cent of the weight of the animal is so small as to be of no importance as a means of increasing cattle production. The cost to consumers of leather products would more than offset the increased return to hide producers even if all the increased price was passed on to the producers, of which there is no assurance. Therefore we believe that hides, leather, and leather products should remain on the free list."

THE COMMONWEALTH SHOE & LEATHER CO.,
Boston, April 25, 1922.

HON. DAVID I. WALSH,
Washington, D. C.

DEAR MR. WALSH: You probably have in mind the many and somewhat bitter attacks that have been made on the shoe and leather industry in consequence of the high price of shoes during the war. I know of no subject that has been more seriously misrepresented. Shoes were high, of course, but not as high in proportion as most other commodities.

If you wish to enlarge somewhat upon the fairness with which the shoe manufacturers of New England have treated the public during the boom in prices which occurred in 1918 and 1919 it would be well to point out that the finished calfskins, which are used very largely for the uppers of men's and women's medium and fine shoes, increased in price from 30 cents per foot in 1914 to \$1.50 per foot in July, 1919. The high price amounted to five times the normal price.

You will also find that the average price of Chicago native steer hides for the entire period when the tariff was on before, namely, from 1897

to 1908, was 12.7 cents per pound. These were quoted in August, 1919, at 54.3 cents per pound, the high price being four and one-half times the average price for the whole tariff period.

At the same time you may state that shoes advanced in no case beyond three times their normal price; that is, a man's fine shoe that sold at retail for \$5 was sold for a very brief period at \$15. This was the extreme advance on any class of shoes, so far as I have ever heard. Men's working shoes advanced to twice their normal price, from \$2.50 to \$5, so that if the facts were fairly appreciated it would be seen that hides, which have been characterized by the Finance Committee as the "farmer's finished product," advanced in a much greater percentage than the finished shoes of the New England manufacturer. And still the Congress has passed exclusively for the benefit of the farmer an emergency tariff bill, and is now considering a schedule on agricultural products calling for protection, ranging from 28 per cent on wheat up to 45 per cent on corn, and similar rates on all other grains, as well as heavy duties on fresh beef, live sheep and goats, fresh mutton and lamb, butter, milk, beans, potatoes, flaxseed, and everything else the farm produces.

The claim will probably be made that the farmer was hard hit and suffered more than other classes of producers. Neither is this, I believe, borne out by the facts. The enormous number of failures in business, together with the statements continually being filed, of the largest manufacturers and producing companies, showing losses of millions and millions of dollars in consequence of the sudden shrinkage of values, is a complete and sufficient answer to this claim.

It appears from the publications of the leading mercantile agencies that the failures in the shoe and leather trades have increased enormously. The month of January is the critical month in each year.

In 1918 there were 101 in January; 1919, 51 in January; 1920, 53 in January; 1921, 353 in January; and 1922, 626 in January.

It will appear from this that there have been more failures in January, 1922, in the shoe and leather industry than in the whole four previous years. Among the larger manufacturers there were embarrassments reported for January in 1918 amounting to 33; in 1919, 18; in 1920, 38; in 1921, 86.

This again tells its own story. The shoe and leather trade, in consequence of conditions for which it was in no way responsible, has suffered as severely as the farmer.

There is no community in which there is not some business wreck, brought about by present conditions; and still our wise lawmakers in the Finance Committee propose to put a tax on our hides, an additional tax on tanning materials, a tax on leather of all kinds, and protection of 6 cents a pair on men's fine shoes, on which the labor cost in this country will amount to between \$1.20 and \$1.75. One of the most ardent advocates of protection in the shoe trade, when he saw that schedule, remarked, "To hell with their protection; I would rather have everything free."

It is obvious that such a protective duty as that on the only class of shoes that is at all likely to come into this country is so ridiculously inadequate as to be ludicrous. It seems as if the Finance Committee had deliberately tried to penalize the only American industry that has produced for the American people cheaper goods and better goods than can be bought abroad, and has asked no corresponding protective duties.

Yours very truly,

CHAS. H. JONES.

P. S.: I have asked Mr. E. A. Brand, secretary of the tanners' council, to inform you in relation to the increased duty on tanning materials.

THE NATIONAL SHOE TRAVELERS' ASSOCIATION (INC.),
Boston, Mass., April 12, 1922.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR: We wish to call your attention to the proposed duty of 15 per cent on hides, and wish to express our opinion on the same to the extent that we feel it will be detrimental to the interest of the shoe industry and thereby increase the cost of footwear to the public.

For that reason we would be pleased if you would give this your positive attention, that the same be not favorably passed through any influence of yours.

Very truly yours,

T. A. DELANEY, Secretary.

LYNN, MASS., March 29, 1922.

Senator DAVID I. WALSH,
Senate Office Building, Washington, D. C.

DEAR MR. SENATOR: I am instructed to inform you that this organization is strongly opposed to proposed duty of from 15 per cent to 20 per cent ad valorem on the hides of cattle imported from foreign countries. We believe that this country will never produce sufficient hides for its tanning industry and that the imposition of any duty on hides places upon the American tanner a serious handicap in his competitive buying of foreign hides with the tanners of other nations. We further believe that such a duty will seriously and injuriously affect our commerce with foreign nations, particularly those of South America, and largely decrease our export trade. It will have a tendency to destroy the business of independent tanners and throw the control of the tanning industry of the country into the control of the large packers. In our judgment, it will not result in any perceptible added price to the farmer for his cattle but will result in a largely increased price which he will have to pay for the various leather products which he himself uses. We still further believe that it will inflict upon the American public a substantial increase not only in the cost of shoes but all other leather products, and bearing in mind how closely Massachusetts is allied with both shoes and leather, we hope you can see your way clear to oppose any effort to place a duty on hides.

Very truly yours,

LYNN CHAMBER OF COMMERCE,
W. H. DAY, JR., Secretary.

NORTH ABINGTON, MASS., March 30, 1922.

Senator DAVID I. WALSH,
Washington, D. C.

MY DEAR SENATOR WALSH: It is disappointing that we feel it necessary to take up your time with matters of legislation, but we can not help feeling that the tariff bill, relative to hides and skins, is merely

a project to favor especially the packing interests and to raise the price to the public on shoes and manufactured leather goods.

Shoe manufacturers have been cutting every possible point for the purpose of putting shoes on the market at a low price and many of them have lost very heavily, cutting into their surplus and capital in an endeavor to get their prices down to where the public felt they should be.

Very few people have suffered due to the fact that hides of cattle have come into this country free, but millions of people have profited because the free hides of cattle made it possible for them to obtain cheaper footwear.

We feel that we can compete with foreign markets in supplying this country with boots and shoes with hides of cattle on the free list, and the 10 per cent duty on boots and shoes made wholly or in chief value of leather made from hides of cattle of the bovine species would not in any way compensate for the duty on the hides of 15 per cent.

Paragraph 1601, which places boots and shoes not made from hides of cattle of the bovine species on the free list, makes it very probable that boots and shoes made from hides of cattle will be so doctored that it will be impossible to tell them from the other boots and shoes upon their entry into this country, and consequently there will be a tremendous amount of fraud practiced in introducing boots and shoes made from hides of cattle.

As this appears to be an attempt at class legislation, may we urge you to protest vigorously against the passage of the bill in question? With many thanks in advance for your courtesy, may I remain,

Very truly yours,

AUSTIN S. KIRKBE,
General Manager of Lewis A. Crossett Co.

BOSTON, April 22, 1922.

Hon. DAVID IGNATIUS WALSH,
United States Senator from Massachusetts,
Washington, D. C.

DEAR SIR: I beg your indulgence in calling your attention to the proposed hide duty of 15 per cent, which I understand is proposed to incorporate into the new tariff bill. The writer believes beyond doubt that this is most unjust and that the only one who will benefit by the imposition of such a duty will be the large slaughterhouses who, the writer has not the slightest doubt, will immediately advance their prices very materially when such a law might become in force and that inevitably it must advance the cost of shoes and all articles in which leather is used in the manufacture.

It appeals to the writer as strictly a class legislation in favor of a few and distinctly against the interest of the country and the public as a whole, and the writer earnestly hopes that you will use your influence to defeat the same.

Hoping you may give this communication your favorable consideration, I beg to remain,

Yours respectfully,

T. F. RUSSELL CO.
T. F. RUSSELL.

BROCKTON, MASS., April 5, 1922.

Hon. DAVID I. WALSH,
United States Senator, Washington, D. C.

DEAR SENATOR: It has come to the attention of the shoe workers of the city of Brockton that there is a possibility of the Senate imposing a tax on hides in the tariff bill now pending before the Congress of the United States. Shoe manufacturers in Massachusetts have consistently opposed a duty on hides, believing that such action would constitute a serious handicap to the shoe industry of this section.

Anything that affects shoe production and burdens it in any way seriously affects the standard of home living of workers engaged in the shoe industry of Massachusetts. For many years employer and employee have joined in opposing a duty on hides, believing that such a tax would prove harmful to the best interests of each. Employers' associations in the shoe industry and labor organizations among the employees have believed in the wisdom of opposing such action for many years. They have merged their opposition to such a measure on the ground that it would prevent the best progress and development of the shoe industry in this State.

Convinced of the wisdom of these reasons, we urge you to exercise your great influence in preventing the fixing of a tariff duty on raw hides.

The Joint Shoe Council No. 1, of the Boot and Shoe Workers' Union, of Brockton, represents 13,000 men and women employed in the shoe factories of this city. Its action on this matter is distinctly representative and it is authorized to speak with authority on questions of this kind. At its meeting held on April 5, 1922, it was unanimously voted to ask you to place your vote and influence on record against the imposition of a tariff tax on raw hides.

Very truly yours,

PATRICK O'BYRNE, President,
JAMES O'CONNELL, Secretary.

BOSTON, MASS., March 11, 1922.

Hon. DAVID I. WALSH,
Washington, D. C.

DEAR SIR: Representing the center of the world's leather market, you have no doubt given thoughtful consideration to the pending tariff legislation affecting this industry.

Without going into details as to the extremely difficult period that tanners are going through to-day, we are writing just to emphasize the importance of you, as a Senator, taking a definite stand for free hides when that item of the pending tariff bill arises in the Senate.

The tariff on hides is but a repetition of former attempts to close the world's markets to our industry and penalize the consuming public. Refer, if you will, to Blaine's letter to Hon. William McKinley, dated April 10, 1890, on this question, which to our mind is an intelligent review of the situation even as it exists to-day. Remember, also, the measures to which ex-President Taft was forced.

Is President Harding to find himself confronted with making decisions on vital issues, such as this, because Members of the Senate are not willing to take an open stand. We think there are men of broad vision in the Senate, unblinded by the plea of private interests for tariff or profit to the few, who will strongly support a measure of profit to no one group but of benefit to the entire Nation.

The tanning industry believes you to be the man to take the lead in a clear-cut, intelligent fight to place hides on the free list. Tariff on hides means the complete elimination of independent tanners in this country and the control of the leather industry by the packers. This can not be denied. Are you willing this should happen?

You men in Congress, representing this Nation, are passing through a period when individual, group, sectional, and party interests must be submerged by measures of national and world benefit. The industries of the United States now as never before depend on the continuous exchange of merchandise in the world's markets unhampered by tariff. The world economic conditions demand this, and shutting this country up behind a high tariff wall is but postponing the world adjustment for which there is such a dire need.

Review the past few years and imagine, if you can, the detriment to the tanning industry which would have resulted with a hide tariff excluding us from operating in the world's hide markets. These markets must be kept open, in which to obtain our raw materials and in which to sell our finished product. We as an industry are willing to compete with the world's tanners when able to operate in an open market, and we firmly take our stand for free hides, free leather, and free shoes.

It behooves you to give this serious thought, and as our representative from this district, we request from you a definite statement as to the exact stand you are planning to take on this issue.

Yours very truly,

KISTLER LESH & Co. (INC.).
H. FREDERICK LESH, President.

BOSTON, MASS., September 2, 1921.

HON. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR MR. WALSH: Free hides are essential to the life of the independent tanners. An import duty on hides would not do justice to the best interests of the public for the reason that it would reflect in increased costs of finished leather, shoes, and harness.

The hide market is world wide in scope. In the United States the slaughter of cattle hides does not exceed 50 per cent of the requirements of the domestic tanners. The remaining 50 per cent must be imported, and should therefore be admitted free of duty. A duty on hides will not help the farmer. A tariff on hides could not make cattle raising more profitable in this country; instead, it will allow the domestic packer to increase the price of his hides. Independent tanners are finding it difficult to get their supply of hides at home so they are compelled to go into foreign markets for a large percentage of their supplies, inasmuch as tanning packers use a large portion of their own hides. Now, if the independent tanners have to pay a duty on hides they can not compete with tanning packers, and it is then just a question of time until all small tanners have to go out of business. Free hides are, therefore, the only salvation of the independent tanner.

Two-thirds of all the domestic hides that go to the tanners come from the slaughterhouses of the packing concerns.

Hides are a basic raw material, and it must be remembered that hides are a by-product and cattle are not raised for the hides they will produce and the farmer will not receive one cent more for his cattle due to a duty being put on hides.

A tariff on cattle hides is economically unsound.

When we set up a tariff of this kind we protect only the packer; in short, a tariff on cattle hides is fundamentally wrong and against the best interests of this country inasmuch as the public would be taxed with this additional burden in the finished product. At this time the whole Nation is looking for relief from excessive high prices.

We summarize briefly why hides should be free:

- a. Hides are a by-product; a 2,000-pound steer yields a 60-pound hide.
- b. Cattle are bought and sold on the basis of beef value.
- c. Higher prices for hides never have caused higher prices for cattle.
- d. Tariff on hides would not protect the farmer.
- e. Tax hides and shoes will cost more.
- f. Domestic supply of hides is 50 per cent too small.
- g. Tanners import 50 per cent of the hides they tan.
- h. Foreign hides needed to keep tanners and shoe factories running.
- i. Sixty-six per cent of the domestic hides are produced by packing concerns, 34 per cent by farmers.
- j. Hide tax will help nobody, but hurt everybody.

We sincerely trust that you will agree with our position and that we will have your assistance in this important matter. We would like to have an expression from you as to your position in this respect.

Very truly yours,

LEAS & McVITT CO.,
JAMES P. MAHER, Manager.

During the speech of Mr. WALSH of Massachusetts, The PRESIDENT pro tempore. The time of the Senator from Massachusetts has expired.

Mr. McCUMBER rose.

Mr. WALSH of Massachusetts. Does the Senator object to my continuing?

Mr. McCUMBER. Oh, no.

Mr. WALSH of Massachusetts. I will say to the Senator that I desire to discuss two paragraphs together so that I need not take the floor later. Of course, I can, if desired, stop now and when the paragraph on leather and boots and shoes is reached renew my discussion, but I thought it would save time and be more enlightening to the Senate to discuss the duty on hides and leather and boots and shoes at one time, because they are all interlocked. It is possible to have all the discussion take place at one time and then have a vote on the two paragraphs, one following the other.

I intend at the proper time to make a motion to put hides upon the free list. I think the best way, however, is to have a vote upon the committee amendment and, if that is rejected, place hides upon the free list. That is the simpler and better way. The test vote is whether or not the Senate proposes to accept the committee amendment. I can now discuss the second paragraph. I ask unanimous consent that I may be permitted to make my argument now on paragraph 1431.

Mr. McCUMBER. I think there can be no objection to the Senator discussing one paragraph right after the other and taking an hour on each if he so desires.

The PRESIDENT pro tempore. The unanimous-consent agreement provides—

Mr. WALSH of Massachusetts. I do not want to press the matter, but I do not see why it is not going to expedite business to discuss together two or three paragraphs, rather than have one paragraph taken up at a time and spend an hour on it and then have another paragraph come up, and have the discussion largely repetition. The purpose I have in mind is to confine my whole discussion to these two paragraphs and then not say anything more and have the vote upon them. You can not discuss hides without discussing leather and you can not discuss leather without discussing boots and shoes and the duties upon them.

The PRESIDENT pro tempore. The Senator from Massachusetts will appreciate, however, the very difficult position in which the Chair is placed. A unanimous-consent agreement has been entered into which it is impossible literally to enforce, so the Chair is doing the best he can to give the unanimous-consent agreement a reasonable interpretation.

Mr. WALSH of Massachusetts. I ask unanimous consent that I may proceed at this time to discuss paragraph 1431 under the rule.

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

Mr. McCUMBER. I understand, of course, that the Senator from Massachusetts may occupy an hour in the discussion of any one of these paragraphs, but after they shall have been discussed, if we give unanimous consent to go from one to the other and for the Senator to discuss them consecutively it will not be granting to the Senator an extra hour on these schedules.

The PRESIDENT pro tempore. The Chair can not anticipate that contingency. The Senator from Massachusetts asks unanimous consent—

Mr. WALSH of Massachusetts. Of course, I can pursue this course: There are five paragraphs, and I can take an hour on each paragraph and go over the same thing again and again. It seems to me that these paragraphs align themselves into two natural divisions—hides and leather and boots and shoes being in one class, and, second, gloves, harness, and other leather goods—and that, therefore, two arguments would cover the entire subject. Gloves involve an entirely different question from hides; they are made from a leather which is entirely different from cowhide leather. I will try to save time by arguing the two paragraphs on hides and leather at once, and then, so far as I am concerned, I shall say nothing further.

The PRESIDENT pro tempore. The matter is not open to debate. The Senator from Massachusetts asks unanimous consent that he may discuss at this time paragraph 1431, as the Chair understands. Is there objection? The Chair hears none. The Senator from Massachusetts has now an hour on paragraph 1431.

Mr. WALSH of Massachusetts. I appreciate the courtesy extended me by the Senate, but I am not going to take an hour. I shall be able to finish in 15 minutes, I am sure.

After the speech of Mr. WALSH of Massachusetts,

Mr. McCUMBER. Mr. President, I find it exceedingly difficult to follow the Senator from Massachusetts [Mr. WALSH] in his discussion of any of these schedules. I have no difficulty in finding from the Senator's argument what he is against; but what I should like to ascertain, if possible, is what he is for.

The Senator recognizes the necessity of raising funds to meet the appropriations that are made each year by Congress. I know of nothing that has been proposed that the Senator does not object to. I wish he would suggest in some of his arguments just how he would raise the funds to carry on the Government of the United States. He has told us how to tear down a structure. He has not informed us how to erect one. He has shown us what he considers defects in this bill. He has shown no real remedy for those defects.

I will admit that every tax is onerous. I will admit that every tariff is an imposition upon the public, who have to pay that tariff in some form; but I really would like to find some way in which we could carry on the Government without any taxation and without levying any duties. In every one of the schedules the Senator from Massachusetts has followed one line of philosophy, and that has been that if we levy a duty at the source, of course it is reflected many times over before the article upon which the duty is imposed reaches the ultimate consumer, and therefore, if we collect one dollar in duty, it is reflected in three or four or five dollars to the ultimate consumer.

Mr. President, is not that true if you levy a tariff for revenue only? Is not the philosophy exactly the same, and is not the Senator driven by his process of consideration to the ultimate

result that there should be no duty levied upon any article for revenue or for any other purpose? Where there is one importer of fabrics there are 10,000 people who must buy those fabrics; where there is one importer of the raw material there are 10,000 people who must purchase that raw material; and therefore the Senator would be forced by the logic of his own arguments to vote against a tariff duty upon any product. He would be compelled to favor a direct sales tax, so that whatever is paid is paid by the ultimate consumer and is paid but once; or, in lieu of that, he would have to go to the system of direct taxation, and the Senator is not in favor of any of them. Consequently, I am at a loss to know what he is in favor of as a means of raising revenue to carry on the Government.

The Senator's argument is like a double-edged sword. He says that the price of a steer is not affected whether there is a duty on the hide or whether there is not any duty; that the producer of the steer is at the mercy of the packer. Following the line of his argument, a packer will pay just as much for a steer without a hide as he will pay for one with a hide. Following the philosophy of his argument, a packer will pay just as much for a steer that has not a pound of tallow inside of him as he will pay for one that has 50 pounds of tallow inside of him. There is nothing in the argument that the farmer will get no benefit. If the duty has the effect of raising the price of raw hides 2 cents per pound in the United States, the farmer will get on the average \$1.35 more than he is getting now for a hide.

I am not arguing what effect the duty is going to have upon the price of shoes or harness, but simply the one question, first, Will the farmer get a benefit? If he gets no benefit, it will be because the importer absorbs the added price of the hide by reason of the tariff, that is all; and if that be true, then we get the revenue from the foreign importer, and we are paying nothing for it. I will go further than that, however, and admit that it will undoubtedly to some extent raise the price of the hide.

Now, Mr. President, I want to consider the question of whether or not the duty on hides will affect the price of a pair of shoes. Of course, while there are comparatively few men who skin steers, there are 110,000,000 people in the United States who wear shoes; and if we are to adopt the philosophy of the Senator from Massachusetts we should give no tariff upon hides, and under the same principle we should have no duty for revenue or otherwise upon any article which is consumed by a greater number than the same article is produced by in the United States.

I want, first, to call attention to the fact, which most people do not understand, that a calfskin is not a hide according to the construction that has been given for many years to the hide schedule. If a hide weighs more than 25 pounds it is a cowhide. If it weighs less than that it is a calfskin, and does not come under the definition of hides.

Mr. LODGE. The Senator has referred to revenue. I just want to inquire of him if any estimate has been made of the amount of revenue on hides? Of course, he would have to take also the estimate of the revenue on boots and shoes.

Mr. McCUMBER. We would simply have to get the number of pounds, and I have not it here, to determine just what the revenue would be upon the hides which are imported into the United States. About 55 per cent of all of the hides that are used in the United States, both calfskin and otherwise, are produced here, and about 45 per cent are imported.

Mr. LODGE. The Senator puts the importations as high as that?

Mr. McCUMBER. That is the Tariff Commission's report.

Mr. LODGE. That ought to be correct, of course.

Mr. McCUMBER. About 45 per cent. The expert informs me that it would amount to about \$15,000,000 in duty.

Let us remember, second, that the shoes which are worn by the American people are not all composed of cowhide. Probably ninety-odd per cent of them, at least, have uppers of calf, and the rest is sole leather, which is made of hides.

The leather in a pair of shoes will not amount to more than 1.5 pounds for the soles and 1.3 pounds for the other parts of the heavier leather that is used; so that not more than 2.8 pounds of the leather that goes into an ordinary pair of men's shoes will bear this taxation of 2 cents per pound. That will bring it, when we have carefully considered the number of pounds of the raw hide that will make the 2.8 pounds of leather, to about 6 cents, a little less than 6 cents on a pair of shoes.

Does anyone having a sane mind and knowing anything about the retail price of shoes believe for a single moment that this matter of duty of 6 cents upon the leather which goes into those shoes is going to fix the price of the pair of shoes just 6 cents

higher than it otherwise would be? If you will get the profits in the manufacture of a pair of shoes you will find that that 6 cents is absorbed many, many times over. It will not affect the price. What will affect the price? Ability to purchase. What will the trade stand? So much for a pair of shoes. When they get too high, people will wear their old shoes a little longer, and then the price of shoes has to come down, or there will cease to be a lively and a healthy movement in the shoe line. That is true of every other product. To show you that it is measured by the ability of the public to pay rather than the mere cost of the leather that is in those shoes, or the cost of the hides, let me call your attention to the fact that in 1919—I think that was the high point—when raw hides were worth about 19 cents a pound, shoes, of course, went up very high. The price fell to 12 cents per pound, practically the pre-war price; but has anyone bought a pair of shoes at the pre-war price? Hides have gone down, and gone down to about pre-war prices, but we all know that shoes have not gone down to anywhere near pre-war prices.

Mr. LENROOT. Does the Senator think that other costs of production have gone down to pre-war figures?

Mr. McCUMBER. Not quite.

Mr. LENROOT. Anywhere near?

Mr. McCUMBER. Yes; as to some things. In the production of a pair of shoes, nearly everything is machinery. The machinery has not raised its scale of wages. The man who operates one of a dozen machines which are grinding out ready-made shoes may have had his wage raised to some extent, but the machine producing those shoes has not raised its wage one penny, and the principal item in the cost of making shoes is not the labor but the material from which they are made.

Mr. LENROOT. Does the Senator take the position that the cost of production has nothing to do with the price of the product?

Mr. McCUMBER. The Senator should not ask me a question of that sort.

Mr. LENROOT. The Senator stated, as I understood him, that the price paid by the consumer depended wholly upon ability to pay, and if that be true, does the Senator take the position that the cost of manufacturing shoes might be one-quarter what it is to-day, and yet the price of the shoes to the consumer be the same?

Mr. McCUMBER. Mr. President, I do not know, and the Senator does not know, whether they would be sold at a lower price than the present price if it cost a half or a quarter to produce them what it does to-day. I assume the price would go down the same extent if they could be produced for such an abnormally low price. But I do say that if you reduce the cost of producing your shoes 10 per cent to-day the price to the final purchaser will not go down 10 per cent. I think I can make that figure 20 per cent and say it would not affect the retail price of a pair of shoes, and that is what the purchaser is interested in.

I have here a statement which I want to read into the RECORD. It is a very careful estimate by an expert of the Government of the effect of a tariff of 2 cents a pound upon the raw hide, the green hide, and it is definitely and fully worked out for the purpose of determining whether or not it increases the price of a pair of shoes, as stated by the Senator from Massachusetts. It was given in evidence but a very short time ago that a farmer in the State of Idaho, whose Senators must be acquainted with the facts, took the hide of a steer to market and got for it half the price he had to pay for a pair of shoestrings made out of leather. This statement reads:

METHOD OF DETERMINING THE COMPENSATORY DUTY ON BOOTS AND SHOES.

From data submitted by a prominent tanning company with a cut-stock department the estimate of average number of pairs of soles for shoes per whole hide is 35. On the basis of average weights and yield of domestic and foreign green and dry salted hides the average weight of sole leather per hide is approximately 40 pounds. This would give an average of 1.2 pounds of outer sole leather per pair of shoes.

The average amount of upper leather per pair of shoes is 3½ feet for men's shoes and 3 feet for women's shoes. In addition to the sole leather and upper leather other leather is required for welting, insoles, counters, etc. This other leather represents on an average from 20 to 25 per cent of the total leather of a shoe.

Another large manufacturer figures on about 3½ feet of upper leather and 2½ pounds of sole leather for men's work shoes and makes no extra allowance for welting, insoles, counters, etc. Upper and sole leather figures are supposed to be large enough to take care of the remainder.

On the basis of 85 square feet of upper leather per 100 pounds of hides or skins and assuming 3½ feet of upper leather necessary for one pair of men's shoes, 3.8 pounds of green hides would be necessary for uppers. Then, taking 1.2 pounds of outer sole leather, on the basis of 80 per cent yield, the amount of green hide necessary for the sole would be 1.5 pounds. As the sole and uppers represent 80 per cent of the total hides and skins in a shoe, the total amount of raw stock for the entire shoe would be the equivalent of 6½ pounds of green hides or skins. This may be taken for a man's ordinary shoe. To average men's, women's, and children's high and low cut shoes together, 6 pounds would probably be a fair figure for all the hides or skins in a pair of shoes.

Leather and raw stock necessary to make one pair of men's shoes.

Kind.	Amount of leather.	Yield of leather from 100 pounds green hides or skins.	Amount of raw hides or skins.
Upper.....	3½ square feet.....	85 square feet.....	3.8
Sole.....	12 pounds.....	80 pounds.....	1.5
Welting, insoles, counter, etc.,	20 to 25 per cent of total required, or about 1.3 pounds.		1.325
Total.....			6.625

So the sole leather which would go into that pair of shoes would amount to 2.8 pounds, with a calfskin upper, and at 2 cents per pound the duty would amount to the enormous sum of a little less than 6 cents upon a pair of shoes.

We have some evidence upon the subject of the change of a rawhide into a pair of shoes which I think ought to go into the RECORD. I will quote from a statement of Frank B. McClain, vice president of the National Livestock Exchange, Chicago, Ill. He said:

Take the subject of leather goods, for instance. A pair of shoes for his 4-year-old child costs him more than he receives for the hide of a 1,300-pound steer that he slaughters for his family use or divides the carcass of with his neighbor.

Senator McCUMBER. That hide will make how many pairs of those shoes?

Mr. MCCLAIN. The hide of a 1,300-pound steer when green will weigh 75 pounds. When salted and ready for the tanner the same hide will weigh 65 pounds and will make from 40 to 45 pounds of finished leather. A pair of shoes for a 4-year-old child will weigh (made of leather) not more than 6 ounces.

Senator McCUMBER. About 3 or 4 ounces?

Mr. MCCLAIN. Certainly not more than 6 ounces.

Take the cost of a set of harness for one horse. Why, it represents the value of the hides of a fair-sized drove of steers. Is there any equity in that?

Mr. Chairman and gentlemen of the committee, I do not believe that what has come to be called "normalcy" or "dawn of the new day" can be or will be arrived at until the dollar of the farmer buys as much of the things he must have as the dollar that buys from him the things that he produces.

That is a pretty good philosophy, but we have never yet followed it in the United States.

Therefore, to correct social and economic ills we must have a common denominator; we must put producers of all commodities essential in our living on a parity, whether that commodity comes from the soil, the loom, the lathe, the furnace, or the factory.

All of the arguments for and against placing hides on the free list can be stated concisely. On the one hand we have far more than a million live-stock producers urging a duty on hides. On the other hand we have perhaps a thousand manufacturers of shoes requesting that hides be placed upon the free list, in order, no doubt, that they may continue their plundering practices of 1919 and 1920, which practices embraced the manufacturer, the jobber, and the retailer alike and were a "stick up," compared with which train robbery was equally respectable, more hazardous, and less profitable. They were not content to be Robin Hoods and take only from the rich or well-to-do; instead, they were Captain Kidds and plundered all, taking their toll even on the footwear of the day laborer's little children.

Then, again, we have that vast army composed of the general public, who are the consumers. If the result of placing hides on the free list would be giving the consumer cheaper footwear, the argument of the live-stock producers might have less effectiveness, but experience has demonstrated that cheap hides do not mean cheap shoes. As proof of this, I submit to you gentlemen that hides are to-day and have been throughout the year 1921 not only down to pre-war prices but actually below pre-war prices.

I do not want to bore you with statistics, nor will I submit to you evidence from sources prejudiced against the hide, leather, and shoe business; instead, I will present the statement of a publication which is certainly favorable to the leather and shoe business, because it is their trade organ, and the name of that publication is the Hide and Leather Journal. The said Hide and Leather Journal, under date of August 20, 1921, presents the following comparisons in hide prices during the weeks ending August 20 in each of the 10 years from 1912 to 1921 (which table of prices I submit as part of my remarks).

Without reading them, because they are further commented upon, I ask to have these two tables inserted as a part of my remarks at this point. They will be found in the tariff hearings at pages 4461 and 4462.

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

Comparative prices of Chicago packer hides for 10 years, week ending August 20.

[Hide and Leather, Chicago, August 20, 1921.]

	Spread steers.	Heavy native steers.	Heavy Texas steers.	Light Texas steers.	Extra-light Texas steers.	Butt brands.
1912.....	Cents. 21-22	Cents. 19½	Cents. 17½	Cents. 17½	Cents. 16½-16¾	Cents. 17½
1913.....	19½-20½	19	18½	18½	17½-17¾	18-18½
1914.....	21½-22½	21	20	19½	19	19½-20
1915.....	27-28	27	23½-23½	23	22½	23½

Comparative prices of Chicago packer hides for 10 years, etc.—Continued.

	Spread steers.	Heavy native steers.	Heavy Texas steers.	Light Texas steers.	Extra-light Texas steers.	Butt brands.
1916.....	Cents. 27-28	Cents. 25½-26	Cents. 23½	Cents. 23½	Cents. 23½	Cents. 23½
1917.....	34-35	30-34	32-32½	29	26-27	31-31½
1918.....	31	30	28	27	24	28
1919.....	54	52-53	48	48	50	48
1920.....	39-40	28-29	25-27	24-26	23-25	23-24
1921.....	17½	14	14	13	12	13½

OUT OF SALT.

	Colo-rados.	Branded cows.	Heavy native cows.	Light native cows.	Native bulls.	Branded bulls.
1912.....	Cents. 17	Cents. 17	Cents. 17½-18	Cents. 17½-17¾	Cents. 15-15½	Cents. 12-13
1913.....	17½-18	17½	18	18	15½	14-14½
1914.....	19½	18½-19	19-19½	20	15½-17	15½-16
1915.....	22½	22½-22¾	20	25	21-21½	16½-17
1916.....	22½-22¾	22½	25	24½-25	22	17-18
1917.....	30-30½	26½-27	29-33	29-32	27-28	23-23½
1918.....	27	23	28	24	21½	19½
1919.....	48	50	53	61	43	41
1920.....	22-23	22-23	30-32	25	23-24	18-20
1921.....	12½	11	13	12	8½	6½

Comparative prices of Chicago country hides for 10 years, week ending August 20.

[Hide and Leather, Chicago, August 20, 1921.]

	Heavy steers.	Heavy cows.	Butts.	Ex-tremes.	Bulls.	Branded hides.	Calf-skins.	Kips.
1912.....	Cents. 15-15½	Cents. 15½-15¾	Cents. 15½-15¾	Cents. 15½-16	Cents. 12½-12¾	Cents. 12½-13	Cents. 18½-22	Cents. 16½-18
1913.....	15½-16	15½-16	15½-16	16-16½	13½-14	13½-15	17½-22	15½-18
1914.....	16-17	16½-17	17-17½	18½	13½-14½	14-17	20-25	18½-19½
1915.....	20-20½	19-20	19-19½	19½-20	17	17-17½	20-25	19½-23
1916.....	20-20½	19-19½	19½	21-22½	17½-18	17½-18½	23-38	22-23½
1917.....	26-28	24-26	24-28	22-27	21-21½	20-21	30-45	27-42½
1918.....	28	25½	22	22	17	15-16	34-44	24-27
1919.....	42-45	40-42	40-43	50-53	32-34	36-38	70-100	50-67½
1920.....	19-20	16-20	14-20	14½-21	15-16	12-13	20-37½	15-30
1921.....	7½-8	7-7½	6-7	9½-10½	4½-5	4-5	14-20	12-17

Mr. McCUMBER. I read further:

Senator McCUMBER. Do you desire to make the table you submit from the Hide and Leather Journal part of your testimony and have it inserted in the record?

Mr. MCCLAIN. I do; and in connection with the same, let me call to your attention that in 1912—

That was before the war—

heavy steer hides sold at 19½ cents; in 1913 they sold for 19 cents; in 1914 they sold for 21 cents; in 1915 they sold for 27 cents; in 1919 they sold for 53 cents; and to-day, in 1921, the maximum price at which they are selling is 14 cents.

That is, as against 19½ cents in 1912 and 1913.

Let me further call your attention that in 1912 light native cow-hides sold at 17½ cents; in 1913, 18 cents; in 1914, 20 cents; in 1915, 25 cents; with the price steadily increasing each year until 1919, when they sold for 61 cents; and to-day the maximum price at which this same grade of hides is selling is 12 cents per pound. (These prices apply, of course, to salted hides.) Are shoes lower in price than they were in 1912, 1913, 1914, or 1915? It goes without saying that the answer is "No." On the other hand, hides are lower and very much lower, as the statement of the Hide and Leather Journal sets forth. What, in the name of God, I ask, do they make shoes from? Do they make them from wall paper, burlap, or leather, or what? If they make them from leather, and they tell us they do—the wearing qualities of some of them seem to indicate they don't—the public certainly are justified in securing shoes for less than the prices at present charged for them.

I admit that there has been a reduction in the price of shoes to the public during the present year as compared with the prices of 1920. Manufacturers and retailers tell us that the reduction in prices has been 40 per cent, but investigation seems to indicate that the statement of the manufacturers and the retailers in this matter is somewhat exaggerated.

Again he was asked:

Senator McCUMBER. Assuming that there are 2½ pounds of leather in a pair of men's shoes, to what extent would a 30 per cent tariff on hides—

That is double what the tariff is now—

increase the price of that pair of shoes? Have you made any computation of that?

Mr. MCCLAIN. It is not hard to figure out, taking the weight of finished leather that a 65-pound or 70-pound salted hide will yield and divide the same with the average weight of a pair of men's shoes, and as well with the average weight of a pair of women's shoes, which, of course, will be lighter in weight than the shoes of the male.

Senator McCUMBER. The object of my question is to ascertain whether there would be enough in the tariff you suggest to increase the cost of a pair of shoes 5 cents?

Mr. MCCLAIN. Hardly that much on children's shoes.

Senator McCUMBER. I have made such estimates myself, and I do not think there would be a difference of more than 4 to 5 cents.

Mr. MCCLAIN. A tariff of 30 per cent on hides would not increase the cost of a pair of adult's shoes (averaging men's shoes and women's shoes) more than 7 cents.

Now, if we cut that in two, his average estimate would be about 3½ cents on a pair of shoes.

Now, Mr. President, it seems to me, taking into consideration the state of agriculture in this year of 1922, taking into consideration the very bad conditions of the cattle raiser, when he is buying everything at a cost ranging from 50 to 150 per cent higher than he paid in 1912 and is selling the hides on his cattle for not more than 75 per cent of what he received in 1912, that the American people can well assist him, if this will assist him, in getting the little \$1.35 more for the hide of a 3-year-old steer, even though it does load upon the American public an additional cost of 3½ cents upon a pair of children's shoes or the enormous sum of 6 cents upon a pair of men's shoes.

The PRESIDING OFFICER (Mr. BROUSSARD in the chair). The question is on agreeing to the committee amendment on page 192 proposing to insert paragraph 1427a.

Mr. WALSH of Massachusetts. On that I ask for the yeas and nays.

Mr. JONES of New Mexico. Mr. President, the paragraph which we are now discussing is 1427a. It levies a duty of 2 cents per pound upon green or pickled hides of cattle and 4 cents per pound upon dried hides. The modesty of this duty must be apparent to everyone.

We have just listened to a very learned address from the Senator from North Dakota [Mr. McCUMBER], the chairman of the committee, in which he has described to us the very small amount by which the price of shoes should be approximately increased by reason of this very small tariff upon hides. I should be astonished, when the vote is cast upon this paragraph, if anyone who has heretofore been voting for duties upon imported articles should cast his vote against this paragraph. Not a single argument has been made in favor of a single duty in the bill which can not be applied to this paragraph. That it is an essential industry no one can deny. That the industry is in a depressed condition no one can deny. That the supply of animals to produce the food for this country is at the present time just about the number required to meet the necessities of the country no one can deny. The relative supply is decreasing from day to day. The time was when this country was a great exporter of beef products. That time is just about disappearing. There are small importations of meat into this country, but the supply of beef cattle is constantly on the decrease. Just prior to the war, in 1913 and 1914, according to the report of the Tariff Commission, we had just about reached the point where this country would have to import beef if it met the supply demanded by our consumers. During the war, owing to the necessities and the increased prices of meat, the number of beef cattle in this country increased, but since that time the number in this country has decreased about 2,000,000 head.

While the population of the United States has been increasing the relative or proportionate number of beef cattle has been decreasing. We have not now a sufficient number to meet the demands of the American people for beef. The industry, of course, must be considered as a whole. The hide is just as much a part of the producer's product as is the meat. There can be no question about that. It is true that one could not grow the hide without growing the meat. On the other hand, one could not grow the meat without growing the hide.

Mr. President, recognizing this as an essential industry, one which must be carried on for the good of the country, then let us apply to that industry the same principles which have been applied from time to time by everyone who has been supporting the duties in this bill. Time and again we have been told that we should impose a duty upon an essential industry equal to the difference between the cost of production in the United States and abroad. If we examine that question we find that in this instance the duties are not only justified but, if anything could be said against them, they are decidedly too low.

In the first place, during the last 10 years the cost of production of beef cattle in the United States has greatly increased. The cost of land, the cost of pasture, the cost of labor, the cost of everything which the producer must buy has increased, and the business to-day is almost in the throes of desperation. I do not believe there is a cattleman in the United States who is making any considerable profits at the present time. The western ranges have been disappearing; the lands have gotten into private ownership; taxation has increased; and every cost which the producer must incur has greatly risen during the last 8 or 10 years, and is continually increasing.

The hides which are brought into this country from abroad, chiefly from Argentina and other South American countries, come to us from ranges which cost the producer but little. No one has undertaken to state upon the floor that there is not a vast difference between the cost of the production of meat products and hides in the United States and in Argentina. So we have these elementary principles admitted: First, that this is an important industry; and, second, that there is a vast difference in the cost of production here and abroad. Many times we have heard it argued here that those are the only elements which should be taken into consideration in levying a tariff. It is admitted by Senators; and if we are going to put a tariff upon other articles for those reasons, I would ask anyone who has supported those taxes why he does not support this?

It is not a question here of whether there shall be free trade generally, whether there shall be a tariff for revenue or a tariff for protection; but the pending bill is based—at least, it is so pretended—upon the principles which I have stated. If Senators are going to apply them to the great bulk of the articles which are produced in the United States, I ask why they should not be applied in this case?

Merely to give a little idea of the state of the industry, I will now read a couple of paragraphs from a speech made by the Senator from Wyoming [Mr. KENDRICK] on June 28 last, in which he said:

In 1900 we had 50,000,000 beef cattle. In 1910 we had 41,000,000, and because of the increased activity and encouragement that producers had to redouble their efforts contingent upon the war and after the war, there was an increase of about 2,000,000 head, making 43,000,000 in 1921. These figures are better understood when we consider them in connection with the fact that during the intervening time from 1900 to 1920, as I recall the figures, our population had increased about 20,000,000, which suggests a very much smaller per capita supply of beef products. In 20 years we had increased our population 20,000,000 people and we had decreased our number of beef cattle about 7,000,000.

As another illustration of how the industry has been affected by the reconstruction period, I want to give a few figures in reference to the decline in the value of the product. In 1921 the meat animals, as marketed through the central markets of the country, returned to the producers \$1,968,000,000 as against \$2,913,000,000 in 1920, showing a shrinkage in the income of live-stock producers of nearly \$1,000,000,000 that year. The cattle producers contributed about \$447,000,000, swine producers \$460,000,000, and the sheepmen \$37,000,000.

There is not any doubt about the facts. There is no question here about prices. Time and again we have levied duties under the present bill upon hundreds and thousands of articles the prices of which to-day in the American market are 50 per cent and sometimes 100 per cent higher than those which obtained prior to the war. In fact, as I stated on yesterday, the average prices to-day of manufactured articles in the United States are 72 per cent above the prices of 1913. When we come to the prices of beef and hides we find that as to meat the price is but little above the pre-war price. When we take the price of hides, however, we find that it is away below the pre-war price. If anything could be said in favor of levying additional duties or of levying duties at all upon the products which are selling 72 per cent above the pre-war prices, I ask Senators how they can justify themselves in refusing to vote for a duty upon an essential commodity which is selling for one-third less than it was prior to the war?

Mr. President, I have listened with attempted patience to the argument which has been advanced as to the increase of prices on finished articles as a reason for not imposing this duty. It must be apparent to everyone that the increase would be small, but I agree that there would be an increase. However, is not that true of every other article mentioned in this bill on which a tariff has been levied? The duties on clothing, glassware, earthenware, chemicals, paints, metals, and all classes of metal production have been increased. Why was that done? Because it was either desired to increase the price or else maintain a high price which already existed. How can anybody justify his action who has voted for such duties upon all those products and then turn around and vote against a little insignificant duty upon hides?

The Senator from New Jersey has insisted here day after day upon high duties upon everything produced in his State by manufacturers. He has done so because he hoped to increase prices or maintain existing prices.

Mr. FRELINGHUYSEN. Mr. President—

Mr. JONES of New Mexico. I should like to ask the Senator or anybody else who is going to vote against the duty on hides how he can reconcile his vote, which I understand he will cast, upon this subject with his vote upon the others?

Mr. FRELINGHUYSEN. Mr. President—

The PRESIDING OFFICER (Mr. CAMERON in the chair). Does the Senator from New Mexico yield to the Senator from New Jersey?

Mr. JONES of New Mexico. I am glad to yield.

Mr. FRELINGHUYSEN. Mr. President, the Senator is unfair when he states that I have asked for higher duties on the products of New Jersey simply because I wished the industries of that State to make excessive profits. That is not true. I have insisted on proper rates, as I believed them to be, in order that the industries might be properly protected, not that they might make extortionate profits; and there is nothing in my attitude on this floor or in the committee which would merit such a conclusion by the Senator, and he knows it.

Mr. JONES of New Mexico. Mr. President, may I ask the Senator from New Jersey, then, if he thinks that this would be an unwise duty to put on hides?

Mr. FRELINGHUYSEN. Mr. President, I do not think a duty on hides will help in any way whatsoever the raiser of cattle or live stock. I do not believe that hides enter to any extent into the return to the farmer. The question as to hides is one that relates, in my opinion, entirely to the meat products, and I do not believe a duty on hides will benefit the farmer in the slightest degree.

Mr. JONES of New Mexico. Mr. President, the Senator will have a very difficult task to convince the farmers of the country of the reasonableness of what he has just said. I think I may state, also, that in many instances under this bill we have been told that the prices would not be increased, and that the producers would not get the benefit, but Senators have insisted upon the duty just the same.

Mr. President, what the Senator from New Jersey has just said is undoubtedly intended to embody the argument which has been made here regarding the control of this product by the packers of this country. I wish to say that if it is controlled by the packers, that situation should be dealt with in an entirely different manner. If there is a trust here which controls the meat product, the meat supply, the hide supply, the Attorney General should be advised of it; it should be dealt with under the antitrust laws of the country; but no man can stand on this floor and sustain the argument that in the absence of a trust the producer will not get the benefit of a duty on hides.

Mr. LENROOT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Wisconsin?

Mr. JONES of New Mexico. I yield to the Senator.

Mr. LENROOT. I should like to ask the Senator, then, if he is as willing to vote for a high duty on a product that is controlled by a monopoly as he is for a product that is independently produced? He says that the remedy is in another direction.

Mr. JONES of New Mexico. Mr. President, I have made no statement that I intended, at least, to be understood in that way; but what I have said is that in this bill we are not legislating with respect to monopolies. It is absolutely denied that there is any monopoly.

Mr. LENROOT. But in the consideration of a duty, does the Senator take no account whatever of the fact, if it be a fact, that a commodity is controlled by a monopoly in this country?

Mr. JONES of New Mexico. Mr. President, that is, of course, a hypothetical question; and I am very glad to say that if I knew that there was a monopoly that controlled any product I would not be in favor of increasing the duty upon the article produced by such a concern.

Mr. LENROOT. But the Senator has just said that if the beef packers are able to get all the benefit, and not give the producer any of it, that is a matter to be dealt with in another direction. If it is true of the beef packers, why is it not true of every other monopoly?

Mr. JONES of New Mexico. I do not say it is true of the meat packers. I have not made that statement, and I do not believe that the Senator from Wisconsin believes that that is the fact. I ask the Senator from Wisconsin if he believes that there is a packers' trust in this country?

Mr. LENROOT. I was simply calling attention to the Senator's argument. Referring to the statement of the Senator from New Jersey that the cattle growers receive no benefit from the duty because of the beef packers, the Senator said in response to that that if that be true the beef packers should be dealt with in another way; and if the beef packers should be dealt with in another way, why should not any other monopoly be dealt with in another way, having no relation to tariff rates? I do not agree with either statement, of course.

Mr. JONES of New Mexico. Mr. President, that raises purely a hypothetical question which I do not care to dwell upon and take time in discussing.

Mr. LENROOT. If the Senator will yield again, I should like to ask him a question growing out of his question to the Senator from New Jersey.

Mr. JONES of New Mexico. I gladly yield.

Mr. LENROOT. Does the Senator from New Mexico indorse the Republican theory of protection?

Mr. JONES of New Mexico. Mr. President, I think that is wholly aside from this question.

Mr. LENROOT. Oh, I think that is a fair question.

Mr. JONES of New Mexico. I will state to the Senator that I do oppose the Republican theory of protection, if this bill is an expression of it.

Mr. LENROOT. The Senator has voted for high protective duties for the products of his own State. He has voted generally, I think, against protective rates for other products. I think that is a fair statement, is it not?

Mr. JONES of New Mexico. I do not think it is.

Mr. LENROOT. I wish to be entirely fair to the Senator.

Mr. JONES of New Mexico. In all of the amendments I have proposed to this bill the Senator must have observed one thing—that I never proposed a single amendment or advocated a single measure which, in my judgment, would have injured any of the essential industries of this country.

Mr. LENROOT. That is quite aside from the question; but the question I wanted to ask the Senator was this: Suppose he had been successful in reducing all other rates to the level of the Underwood law, but had been successful in increasing all rates which he favored, would he then vote for the bill?

Mr. JONES of New Mexico. I certainly would have.

Mr. LENROOT. So, then, the Senator would vote for protection to his own industries which he would deny to others?

Mr. JONES of New Mexico. Mr. President, the question was broad and my answer was equally broad, and, I think, unfortunately so. There are many duties in the Underwood bill, in the existing law, which are too high, and which are not needed by any of the industries for any kind of reasonable protection.

Mr. LENROOT. I agree with the Senator upon that. May I then put the question in another way? If the Senator could reduce all duties that he thinks ought to be reduced, and yet increase upon the basis of a protective principle the rates upon hides, upon wool, and upon other things that the Senator has voted for, would he then vote for the bill?

Mr. JONES of New Mexico. I will answer the Senator in this way: If I could have the arrangement of the rates, I certainly would vote for the bill; and I want further to state that there is no such thing as a free-trade tariff. Any tariff is an obstruction, pro tanto, upon imports, and where there is a similar commodity produced in the United States it is, pro tanto, a protection to that industry; and under the existing law, the so-called Underwood-Simmons law, the tariffs are levied in great measure, I would say to the greater extent, upon articles which are produced in the United States and which compete with foreign articles, and in every such case that duty is a protective tariff, if you enjoy that phrase better than any other. It can not be escaped; and when the time came that this country took off its duties upon tea and coffee and other articles which were not produced in the United States and retained them upon articles which were produced in the United States in competition with foreign articles the idea of a tariff solely for revenue disappeared.

Mr. LENROOT. Mr. President, may I ask the Senator another question?

The PRESIDING OFFICER. Does the Senator from New Mexico further yield to the Senator from Wisconsin?

Mr. JONES of New Mexico. I yield.

Mr. LENROOT. Would the Senator vote in favor of a rate of duty upon a given article which would produce the largest amount of revenue from that article?

Mr. JONES of New Mexico. If the Senator will do me the honor to read the address which I delivered in the Senate yesterday morning, I think a great many of the questions that apparently are troubling him now will disappear.

Mr. LENROOT. Mr. President, I want to say that my questions were propounded in the hope that we would be able to welcome the Senator from New Mexico to the Republican theory of protection, but from the Senator's answers I am very much afraid that he is against the Republican theory of protection generally but is in favor of it for the industries of his own State.

Mr. JONES of New Mexico. If the Senator will do me the honor to read the address which I delivered yesterday morning I think he will discover that it is my opinion that the Republican Party has no theory of protection. The Senator will discover that there is no single theory of protection running

through this bill. When the very first item in the bill came up for consideration that fact was made perfectly apparent. You talk about a tariff levied for protection on the theory of the difference in the cost of production at home and abroad. I say that you have not applied that doctrine to more than a very infinitesimal number of the items mentioned in this bill. You have no theory of protection, if this bill is an expression of what you think that theory is.

The Senator from Wisconsin time and again has stated on this floor as to many items that they did not conform to the Republican theory of protection.

Mr. LENROOT. Mr. President, will the Senator yield further?

Mr. JONES of New Mexico. I gladly yield.

Mr. LENROOT. The Senator certainly has not understood, from any question I asked, that I was defending the rates in this bill. I was talking about the different theories, the Republican theory and the Democratic theory of tariff duties.

Mr. JONES of New Mexico. I assumed that the Senator from Wisconsin represented and expressed what he thought was the Republican theory of protection.

Mr. TRAMMELL. Mr. President, will the Senator yield?

Mr. JONES of New Mexico. I yield.

Mr. TRAMMELL. Did not the Senator from Wisconsin also say, some two or three weeks ago, that unless the bill was re-formed he would not vote for it?

Mr. JONES of New Mexico. I believe I remember that statement made by the Senator from Wisconsin.

Mr. LENROOT. I did not catch the statement of the Senator from Florida.

Mr. TRAMMELL. I understood the Senator from Wisconsin to say, in discussing the bill here some two or three weeks ago, that if it was not re-formed he would not support the bill.

Mr. LENROOT. The Senator correctly understood me. I did state that.

Mr. JONES of New Mexico. Mr. President, after we heard that theory announced—the difference in the cost of production at home and abroad—the Senators supporting this bill were forced to abandon it and say that they had never attempted to ascertain the cost of production at home or abroad as to a single item in the bill. That is your supposed Republican protective theory; but there is a confession from every Senator on the other side of the Chamber that that theory has not been applied to the rates in this bill, and I imagine the Senator from Wisconsin is going to vote for it with all of the iniquities which he himself has pointed out.

After being driven from the theory of the difference in the cost of production at home and abroad, they then undertook to tell us something about difference in prices, and they sent out the Reynolds commission to ascertain that difference in prices. They came back here and reported that as to a number of items the price of the foreign article in this market was higher than the price of the domestic article; but, notwithstanding that, you proceeded to increase duties upon them. Where is your Republican theory of protection as manifested in this bill?

But, Mr. President, what I wanted to emphasize was this: Whatever theory of this bill may be adopted by any individual supporter of the bill, whatever your theory may be, I ask you how you can apply it and not put a duty on hides. No one on the other side of the Chamber has yet undertaken to answer that question, and I submit there will be no satisfactory answer to it from any side of this Chamber.

Sensors talk about increased costs. Do you not increase the costs of everything else? Do you hesitate to admit that? If the purpose, as I have said, is not to increase prices or maintain increased prices, then I ask you what in the name of heaven are you doing this thing at all for?

Mr. President, I did not intend to discuss this question at any considerable length. It seems to me that a simple, short statement would convince any man who expects to vote for this bill on its final passage that there should be a tariff duty on hides. A number of different theories have been stated, but I submit that any theory of protection, whatever it may be, upon which any Senator expects to vote for this bill, if applied to this item, will force that Senator to vote for a duty on hides.

As to the producer of hides, you have increased the duties upon substantially everything he must buy. You have increased them upon all of his hardware, you have increased them upon his tableware, upon his kitchen ware, upon his clothing of every conceivable kind, class, or design. You do not hesitate to do that. Clothing they must have, as well as shoes. I ask, what difference does it make if you raise the price of the

clothing which covers the body and contend that the shoes which cover the feet should not meet with like treatment? In discussing the duties on a number of articles it has been said that the amount was small, and that was given as an excuse for levying duties. I remind Senators that, measured even by that statement, they will have to put a duty on hides.

Mr. President, I do not know what the vote upon this item is going to be, but I do ask those Senators who expect to vote for the bill how they are going to reconcile their consciences to voting against this paragraph.

Mr. LENROOT. Mr. President, I do not expect to occupy very much time in the discussion of this amendment, but I do want to say a few words preliminarily with reference to the attitude of Senators upon the other side of the aisle.

I want to commend the Senator from New Mexico for his frankness in stating the position he occupies upon this bill, and I wish that other Senators who, like himself, have voted for high duties upon the products of industries in their own States and voted against protective duties throughout the rest of the bill would be as frank as he has been. I have thought, from the Senator's statement, that the inevitable conclusion was that he had discarded the doctrines of the Democratic Party of either free trade or a tariff for revenue, and that he really and sincerely believed in the Republican theory of a protective tariff.

I asked the Senator whether he would vote for the bill if he could get a decrease in all of the duties in this bill against which he had voted and could get an increase in all of the duties for which he had voted, those duties being based upon a protective theory, and he said yes. Of course, that meant just one thing, that the Senator from New Mexico was a Republican, upon the protectionist doctrine, for industries in his own State, but that he was a tariff-for-revenue Democrat for the industries of every other State. No other conclusion was possible.

Mr. JONES of New Mexico. Mr. President, of course I am in the Senate Chamber, and I should not sit quietly by and permit the remarks of the Senator from Wisconsin to pass without some reply.

Mr. LENROOT. I yield for that purpose, because I do not wish to be unfair to the Senator from New Mexico.

Mr. JONES of New Mexico. I should not be considered as acquiescing in the statement the Senator has made, and I want to disclaim any acquiescence in his conclusions as to what my position is.

Mr. LENROOT. We will let it go at that. Other Senators, like the Senator from New Mexico, have defended their votes for rates even higher than those proposed by the Committee on Finance itself upon the statement that industries in their own States were vitally involved, and they have attempted to excuse themselves by saying that if we were going to have the theory of protection in this bill, they proposed to have that theory uniform and vote for protective duties for their own industries, but that they intended to vote against the bill.

What I want to commend the Senator from New Mexico for is that he has been franker than his Democratic colleagues, and he has honestly stated that if he could get protective duties for his own State and Democratic duties for other States, he would vote for that kind of a bill.

Mr. JONES of New Mexico. Mr. President, I desire again to dissent from the statement the Senator from Wisconsin has made. I have said nothing which was at least intended to even imply or hint at the statement which the distinguished Senator has just made.

Mr. LENROOT. Did not the Senator state, in response to my question, that if this bill carried the duties which he has been voting for—like the proposed duty upon wool, like the proposed duty upon hides, and the duties upon certain minerals the Senator has voted for, if I recollect correctly—and if he could have his way with reference to lowering duties throughout the rest of the bill, he would vote for the bill? Did he not state that to me?

Mr. JONES of New Mexico. I think that is substantially what I said.

Mr. LENROOT. Then there is no disagreement between us. Mr. JONES of New Mexico. If you will let me write the duties in the bill I shall vote for it.

Mr. LENROOT. Very well, then. But the Senator has justified voting for high duties on the products of industries in his own State because he said the Republicans were voting for high duties upon other products, and if they were going to do that in the case of other products he was justified in doing it for his own State. Now he says that if we wipe out all those high duties for other States, and will give him his high duties

for his own State, then, instead of voting against the bill, he will vote for it. I do not think there can be any misunderstanding between us, and I understand that there are about 18 Democratic Senators who occupy exactly that position. All I ask is that if a Democratic Senator stands for protective duties for industries in his own State he should stand for protective duties on industries of other States; that is all.

Mr. JONES of New Mexico. Mr. President, I simply reply by making practically a restatement of what I said in my opening remarks, that whenever a tariff duty is levied upon any article imported into the United States, and a comparable article is produced in the United States, that duty is, pro tanto, a protective tariff.

Mr. LENROOT. Exactly; I agree with the Senator to that extent.

Mr. JONES of New Mexico. As to every item in the existing law putting a duty upon any importations, where there is a comparable article produced in the United States, it is a protective law.

Mr. LENROOT. Exactly; to that extent. The Senator must also agree, however, that the higher the rate the less the revenue, in a great many cases, and that if you are standing upon the Democratic theory, you can not go beyond a rate which will produce the greatest amount of revenue from the given commodity.

Mr. JONES of New Mexico. Mr. President, I would like to remind the Senator of one other thought in connection with his question. He has referred to the rates in the existing law. In a general answer to the Senator's inquiry some little time ago I said that I would support the present rates, and my answer, of course, was a general answer, based upon the proposition that under the existing law there is not a single industry in the United States which is being injured to any measurable extent by importations from abroad.

Mr. LENROOT. Under the Underwood law?

Mr. JONES of New Mexico. Yes; under the present law. I ask the Senator to point to a single industry in the United States of any material consequence which is being injured to-day by reason of extensive imports.

Mr. LENROOT. Mr. President, surely the Senator from New Mexico, having made a thorough study of the pending bill, must have forgotten this morning all of his previous studies, because a most cursory examination of imports and exports and the reports of the Tariff Commission must convince any Senator, Democrat or Republican, that there are many industries in the United States which are being seriously injured by reason of excessive imports, and in some cases factories are entirely closed down.

Mr. JONES of New Mexico. Of course, we can not settle the question here and now, but I want to have it go out as my statement, after all the study I have made of this question, that the statements of the Senator from Wisconsin are unjustified by the facts.

Mr. LENROOT. Mr. President, I hold in my hand a pair of German gloves, which are being imported into this country to-day for half of what they can be made for, and the factories in this country are closing down. Does the Senator take into account any such evidence as that?

Mr. JONES of New Mexico. I did not understand to what article the Senator refers.

Mr. LENROOT. I hold in my hand a pair of ladies' gloves, the invoice price of which is \$3.56 a dozen pair, or about 30 cents a pair. Does the Senator seriously say that the importation of that glove is not interfering with or injuring American industry?

Mr. JONES of New Mexico. Mr. President, the story about gloves is somewhat lengthy, but the Senator upon examination of the question will find that it does. I do not know the class of glove he has exhibited, but I assume it is a high-grade glove.

Mr. LENROOT. It is.

Mr. JONES of New Mexico. I do not know where it was made.

Mr. LENROOT. It was made in Germany.

Mr. JONES of New Mexico. With regard to that high-grade kid glove made in Germany, the facts are that in this country we have never been able to produce that quality of kid glove at a reasonable price.

Mr. WADSWORTH. Mr. President, will the Senator from Wisconsin permit me to answer the Senator from New Mexico? Mr. LENROOT. Certainly.

Mr. WADSWORTH. I have in my hand two pairs of the very kind of glove which the Senator from Wisconsin has exhibited, and which are made in this country.

Mr. JONES of New Mexico. Oh, yes; they are made here, but I said at a reasonable price.

Mr. WADSWORTH. The Senator probably forgets that men's gloves have had a higher rate of protection than women's gloves. If the same rate of protection were given to women's gloves that is given to men's gloves, we could make the women's gloves here just as well. When a higher protection was given to men's gloves, we showed our ability to make them and reduce the price. With the same tactics employed with reference to women's gloves, they could be made here as well as the men's gloves and the price would be reduced accordingly. We have never had a chance to make the women's gloves.

Mr. LENROOT. Mr. President, I know the Senator from New Mexico made that general statement in good faith, but I know that if he will refresh his recollection and study, as I know he has studied, the imports, he will remember that there are many articles as to which the imports are very excessive and where the American industry, unless they have some relief, will be very seriously injured. I think I can fairly say that because, Republican as I am, I have stood upon this floor, and propose to stand here until the tariff bill has been finally disposed of, fighting against what I believe to be excessive rates.

Mr. JONES of New Mexico. Mr. President, another point which should not be overlooked in this connection is the fact that the pair of gloves which the Senator produced came from Germany. We all know that, owing to the rapid decline in the gold value of the German mark, many shipments of commodities from Germany were made at excessively low prices.

But I want to remind Senators that if the tariff bill is to be framed upon conditions in Germany the foundation is one of sand. Everybody knows that Germany is in an industrial collapse; that she has not since the war been able to produce more than 60 per cent of what she was producing prior to the war, and her exports are only 40 per cent, and that of those exports altogether there came to the shores of America only 7.1 per cent. Yet because of that unfortunate condition in Germany it is proposed to disturb business industries of whatever character all over the United States. The Republicans have built up these duties by reason of that unstable, uncertain foundation which is claimed to exist in Germany.

Mr. LENROOT. All I have to say in response to that suggestion is that if a man dies of a disease he is not very much interested in the post-mortem to ascertain what caused his death.

Now, Mr. President, to get down to the question before the Senate, the Senator from New Mexico [Mr. JONES], in opening his remarks, stated that whatever contention might be made as to whether the farmer would receive the benefit from a tariff on hides, the fact was that the farmers were all insisting upon having it. The largest farm organization in my section of the country is the American Farm Bureau, and I am going to read the closing paragraph of their brief submitted to the Finance Committee wherein they said:

The cost to consumers of leather products would more than offset the increased return to hide producers even if all the increased price was passed on to the producers, of which there is no assurance. Therefore, we believe that hides, leather, and leather products should remain on the free list.

The American Farm Bureau is a very respectable farm organization with a very large membership. It does happen, I know, to be constituted almost wholly of small farmers and perhaps has no membership of the large cattle growers, with their thousands and thousands of cattle.

Now, Mr. President, I am opposed to the duty on hides, first, because I am convinced that so far as the average farmer is concerned, if there be any benefit accruing to the farmer—

Mr. BURSUM. Mr. President—

Mr. LENROOT. Just a moment. If there be any increase in the price of hides the cost to the farmer in the shoes and leather products that he must buy will be very much greater than any possible increase in price that he may receive for his hides.

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from New Mexico?

Mr. LENROOT. I yield.

Mr. BURSUM. The Senator from Wisconsin stated that some farm bureau favors free hides. May I ask the Senator what farm bureau that was?

Mr. LENROOT. I quoted from a brief filed with the Senate Finance Committee by the American Farm Bureau Federation, of which Mr. Howard is president, and of which Mr. Gray Silver, whom I think every Senator knows, is secretary, having headquarters in Washington. It is perhaps the most active farm organization that there is in looking after the interests of the farmers in legislation.

Mr. BURSUM. We have a farm bureau in my State, and no such request has been made by it.

Mr. LENROOT. That may be; but this is the national federation about which I am talking. I am not talking about some little organization that the Senator may have in New Mexico.

Mr. BURSUM. If the Senator please, I would advise him that New Mexico is a part of the Union.

Mr. LENROOT. I understand that; but there are more members of this farm bureau in one county in my State than there are in the entire State of New Mexico.

Now, Mr. President, I want to ask the Senator from New Mexico, if I may trespass upon his good nature, whether he is in favor of the proposed 5 per cent duty upon shoes?

Mr. BURSUM. Is the Senator inquiring of me?

Mr. LENROOT. Yes. Is the Senator from New Mexico in favor of the committee amendment imposing a 5 per cent duty upon shoes?

Mr. BURSUM. I will say to the Senator from Wisconsin that for the present it would be advisable to stick to the subject pending. We are just now discussing the duty on hides.

Mr. LENROOT. So the Senator from New Mexico declines to answer whether he is in favor of the 5 per cent duty upon shoes which is proposed by the committee.

Mr. BURSUM. Whenever we get to that proposition and the matter is up for action, the Senator from New Mexico will not hesitate to state his position.

Mr. LENROOT. But the Senator declines to express himself upon that subject now. I commend the Senator from New Mexico for his discretion because I understand very well that the reason why the 5 per cent duty is proposed upon shoes, in addition to the compensatory duty, is the hope of those back of the proposition, representing primarily the cattle range States, that they will be able to get the votes of New England Senators for a tariff upon hides in return for their votes for a 5 per cent duty upon shoes. The Senator from New Mexico well understands that if he should say now at this stage of the controversy that he is opposed to a 5 per cent protective tariff upon shoes he would not be nearly so likely to get the votes of New England Senators for a tariff upon hides. So I commend his discretion.

Mr. JONES of New Mexico. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from New Mexico?

Mr. LENROOT. I yield.

Mr. JONES of New Mexico. The Senator was rather criticizing some of us for voting because our constituents live in a cattle-raising State.

Mr. LENROOT. No; the Senator misunderstood me. I did not. What I have criticized was voting on one principle for industries that the Senator's constituents wanted and voting upon another principle against duties that other constituents want. That was my criticism.

Mr. JONES of New Mexico. The Senator from Wisconsin has just referred to the fact that a farm bureau of his State does not want a duty on hides. I ask him upon what principle he is voting against the duty on hides?

Mr. LENROOT. If the Senator will have just a little patience, I assure him he will find out. I referred to the National Farm Bureau, with organization headquarters in Washington, which, representing the national organizations, took its position before the Finance Committee. Now, answering the Senator's question, I am opposed to the duties upon hides, first, because, so far as the average farmer is concerned, so far as 99 per cent of the farmers of America are concerned—conceding for the moment that the duty would increase the price of hides—the price that they will have to pay for shoes and other leather products which they must buy will be a great deal more than the benefit they will receive from a tariff upon hides.

Mr. POMERENE. Mr. President—

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

Mr. POMERENE. The Senator has indicated that if this duty were placed on hides, of course it would tend to increase the cost of shoes to the consumer. I agree with that proposition. Has the Senator's investigation gone to the extent that he would be willing to make a statement as to what the average increase would be per pair of shoes?

Mr. LENROOT. I shall go into that later. If I do not remember it, I shall be obliged to the Senator if he will call my attention to it later, because I intend to discuss that subject very briefly.

In the second place, Mr. President, I am opposed to this duty because I am satisfied that the chief beneficiaries will be the packers of the United States and not the farmers, nor even the cattle growers; that there will be no substantial increase

in the price which the cattle grower, even of the range States, will receive for his cattle.

I am opposed to it, in the next place, because, giving this benefit to the beef packers of Chicago, the inevitable result will be to drive out of business the independent tanning industry of the country and concentrate it in the hands of the beef packers of the United States, who to-day have a very large control of it.

Mr. STANFIELD. Mr. President—

Mr. LENROOT. I yield to the Senator from Oregon.

Mr. STANFIELD. I should like to ask the Senator from Wisconsin what per cent of the hides the so-called Packers' Trust controls?

Mr. LENROOT. About 65 per cent, I am told.

Mr. STANFIELD. Does the Senator think the other 35 per cent would enter into combine with the packers and that the packers would receive all the benefits of the duties on hides?

Mr. LENROOT. In the first place, as the Senator knows, the country hides are inferior in quality. I think he will agree with me on that as a general rule.

Mr. STANFIELD. The country hide?

Mr. LENROOT. Yes; which represents the other 35 per cent.

Mr. STANFIELD. The Senator is undoubtedly aware that outside of the so-called packers' combine, which is composed of four or five of the principal packing concerns, there is over 40 per cent, although the Senator said 35 per cent, of the industry in the hands of others not associated with the so-called packers' combine, if there be such a thing.

It is a well-known fact, I wish to say for the enlightenment of the Senator, that every time there is a fluctuation in the price of the by-products of the slaughterhouse, the by-products of cattle, sheep, and hogs, the live-stock market fluctuates proportionately, so that if hides go up, live stock goes up; if wool goes up or sheepskins go up, the live-stock market goes up proportionately.

Mr. LENROOT. I am not going to enter into that field of controversy with the Senator. The Senator does know that practically every farm organization of the United States has asserted time and time again that the beef packers control the price and pay the farmer, pay the cattle grower, pay the sheep grower such prices as they choose to pay. It is absolutely under their control.

Mr. STANFIELD. I do not believe that the investigations have revealed such a condition as that.

Mr. LENROOT. I say I am not going to get into that field of controversy now. I simply make the statement, to which the Senator must agree, that that has been the position of the farm organizations.

Mr. STANFIELD. I can not agree with that, because so far as the live-stock organizations of the United States are concerned, 75 per cent of them are on record as saying that such a condition does not exist.

Mr. LENROOT. Mr. President, that may be so of late—

Mr. STANLEY. Will the Senator yield to me?

Mr. LENROOT. No; I wish to finish my statement. But a couple of years ago and for many years prior to that time I was very closely concerned with reference to that very subject. We have a National Livestock Association, and I talked with their president here year after year, and the members of that association did not agree with the statement which has been made by the Senator from Oregon.

Mr. STANFIELD. I will say, then, that the Senator probably refers to one of the so-called national live-stock organizations, for the National Wool Growers' Association have always been on record denying that such a condition existed; the Northwestern Cattle Growers' Association have always been on record to the same effect and have always indorsed resolutions of that tenor whenever the question was presented.

Mr. LENROOT. Yes; but there has been a very thorough investigation, as the Senator knows, by committees of this Congress. I wish to say to the Senator that some of the methods which were pursued in order to secure testimony favorable to the packers were not very creditable. However, I am not going into that now, for my time is running, and I have only a few moments remaining.

Mr. STANFIELD. Right in line with that thought I want to make one further remark, and that is that the packers, to whom the Senator clearly refers, are the largest importers of hides of any of those who are concerned in the leather business; so that if there is anyone, it seems to me, who would be interested in free hides it is the packer, because he surely would want to bring his products from his slaughter and packing houses in South America, Australia, and New Zealand into the United

States free of duty. It is only consistent and reasonable that he should.

Mr. LENROOT. When the packer, utilizing 65 per cent of the hides that are produced in this country, can add 2 cents a pound to their price, he can well afford to pay the additional duty on the 35 or 40 per cent of imported hides, or even on all the imported hides; but to a very large degree the importers are the independent tanners, and not the packers.

Mr. STANFIELD. I should like to remark to the Senator that the outside leather is largely controlled by the so-called large packers. That the Senator must admit. Does he mean to say that the large packers turn their hides over to the independent tanners when they are engaged in the leather business, as he has asserted here? Is it reasonable that they would do such a thing?

Mr. LENROOT. I have not the time to go into the question of the control of the tanning industry by the packers. My time is running short; I can not go into that. But I do give it as my profound conviction that the duty that is proposed here upon hides will drive the independent tanners out of business in the United States and concentrate control in the packing industry.

Mr. President, I have wondered why it was that the committee in reporting their amendment imposing a duty upon hides were not content to provide merely a compensatory duty on boots and shoes—and that I shall speak of in a moment—but they also gave a 5 per cent ad valorem protective duty. When one looks at the imports of boots and shoes and examines the exports of boots and shoes there can be but one conclusion, and that is that 5 per cent ad valorem duty was put on there as a bait to get votes for the tariff upon hides. I wish to call attention to the fact, because I want to know from the committee before this debate is concluded how they justify putting a 5 per cent protective duty upon boots and shoes.

Our total imports of boots and shoes for 11 months ending in May, 1922, amounted to 118,000 pairs, valued at \$558,000. For the 11 months ending in May of 1921 there were 203,000 pairs imported, valued at \$775,000. In 1921 our exports of children's shoes amounted to 2,000,000 pairs, valued at \$3,340,000; our exports of men's shoes during the same period amounted to 5,173,000 pairs, valued at \$16,319,000; our exports of women's shoes during the same period were 1,767,000 pairs, valued at \$5,016,000, or a total export of over \$25,000,000, as against imports of a little over half a million dollars; and yet the committee have proposed a duty of 5 per cent ad valorem upon shoes.

Mr. STANFIELD. Does not the Senator think that that was a poor method of attempting to trade for votes? If the shoe manufacturer does not need the duty, why would the New England Senators or Senators from other shoe manufacturing States vote for a duty on hides?

Mr. LENROOT. I think they used very poor judgment, because I do not believe they caught the New England Senators in their attempt.

Mr. STANFIELD. Does the Senator think that they would have listened to the importunities of the cattle-growing sections and the farming sections if they had made such a proposal as that to them?

Mr. LENROOT. Well, Mr. President, I am reminded of a statement which Senator Aldrich made in the consideration of the Payne-Aldrich bill. I am afraid I have it not at hand; but he very frankly stated that in order to get the duties for New England that he wanted he had agreed with western Senators to stand for a duty on hides; that, although he thought it was wrong, it was necessary to make that combination. I am afraid there are some people who thought that such a combination could be made now.

Mr. STANFIELD. I do not believe the Senator—

Mr. LENROOT. I do not mean that in the sense of being corrupt or anything of that kind, of course not; but the Senator knows as well as I do that there does exist on the floor of the Senate this feeling, "I have got to vote for duties which another Senator wants, even though I believe they are too high, in order to get the duties that I want for the industries of my own State." Does the Senator deny that?

Mr. STANFIELD. Yes; I do. I believe that it is the opinion of the consistent protectionist that the protective tariff is not a local question, and that if he is going to be a consistent protectionist, he must grant protection to the industries or producers of another section whose interests are different from those in his section.

Mr. LENROOT. I agree as to that.

Mr. STANFIELD. To that extent, I think there are those who subscribe to the interpretation suggested by the Senator; but they do not vote simply for duties on the products of their

own sections; they are beyond voting merely for protection for localities.

Mr. LENROOT. But does the Senator think it is right for a Senator if he believes a proposed duty involving another State than his own is too high that he should vote for that duty because he fears if he does not there will be retaliation upon him?

Mr. STANFIELD. No; I do not believe that is right, and I do not believe that such a condition as that exists here at this time.

Mr. LENROOT. The Senator has not been very familiar with the conditions in the Senate during the past few months if he does not know that condition does exist.

Mr. GOODING. Mr. President, I think, in all fairness—The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Idaho?

Mr. LENROOT. I yield.

Mr. GOODING. I think, in all fairness, that the Senator ought to name those Senators who have taken that position, and not make his statement general.

Mr. LENROOT. I am not going to name them.

Mr. GOODING. It is, I think, due to Senators here that the Senator from Wisconsin should give the names, because it seems to me that there has been one thing clearly demonstrated here, and that is that there never has been any understanding between what is called the tariff bloc of the Senate and the Committee on Finance.

Mr. LENROOT. I am not charging that there has been any such agreement.

Mr. GOODING. But it has been charged upon this floor.

Mr. LENROOT. I have not charged it.

Mr. GOODING. It seems to me that time after time the votes have demonstrated that there is no truth in that charge.

Mr. LENROOT. I want to say that the Senator from Idaho is not one of the men to whom the statement I have made could possibly refer, because there has not been any duty which has been proposed during this entire debate that was too high to suit the Senator from Idaho.

Mr. GOODING. Mr. President, I want to say in that respect that the Senator is entirely correct.

Mr. LENROOT. Certainly; I knew I was correct.

Mr. GOODING. I do not believe that, based on foreign valuation, this bill is going to afford, so far as that is concerned, the degree of protection which should be afforded to some of the industries of this country.

Mr. LENROOT. I knew I was correct.

Mr. GOODING. The Senator is absolutely correct.

Mr. LENROOT. So the Senator is completely absolved from any possible imputation that he has been voting high duties because he was afraid that he would not get the duties that he thought he ought to have in his own State. The sky is the limit for the Senator from Idaho.

Mr. President, I said to the Senator from Idaho that I would discuss to some extent what the cost of this duty would be to the consumer, and I am going to try to be extremely conservative. In the first place, the chairman of the committee stated that the leather which is the product of hides now under controversy only entered into the soles and the heels of shoes. Mr. President, I can not put it in the RECORD, I am sorry to say, but I hold in my hand something like a dozen samples of leather that are the product of these hides. They are split leathers in many cases. Here is a leather [exhibiting] which any Senator would be perfectly willing to buy and as to which he would make no complaint if he found that leather in a very expensive shoe that he wore. It is not true that this kind of leather goes only into soles and heels; on the contrary, it is true as to practically all of the heavy working shoes used by the farmers of the United States in their daily work and by other laboring men that the heels, the soles, the uppers, and all the rest of the shoe are made of the leather which is produced from these hides.

Let us see what the judgment of the committee itself is upon the question of the cost to the consumer by reason of this duty upon hides. For the purpose of this argument, Mr. President, I am going to take the judgment of the Finance Committee, and let us see where we will land.

The Finance Committee, in the amendment that is pending, proposes that there shall be levied upon boots and shoes, made wholly or in chief value of leather made of hides of cattle of the bovine species, a duty of 12 cents per pair. That is the judgment of the Finance Committee as to the compensatory duty that must be allowed the manufacturer of the shoe wherever that shoe is made wholly of this kind of leather—12 cents a pair. The junior Senator from North Dakota [Mr. LADD],

in a speech made some time ago, very erroneously assumed that the compensatory duty that might be provided, whatever it was, would be the extra charge paid by the consumer. Of course, there is not a Senator but that knows that is not true. Assuming the case of a heavy workman's shoe made altogether of this kind of leather, the committee says the manufacturer must have a compensatory duty of 12 cents a pair. Very well. Then the cost of that shoe to the manufacturer has been increased 12 cents, certainly, on each pair. The manufacturer must have his profit, must he not? That 12 cents a pair is a part of the manufacturer's cost of production. What is a reasonable profit for the manufacturer? I am going to be just as conservative in my estimates as one can possibly be, so that no Senator can rise upon this floor and say that I have placed my estimates too high. We will give the manufacturer a profit of 10 per cent. That would bring this duty upon hides—1.2 plus 12—to 13.2 cents, would it not? Now we will assume that it does not go to a jobber at all—which is not a fair assumption, but I am giving the estimate as low as it possibly can be made—but it goes directly to the retailer. I think it is generally admitted that the retailer's margin will run around 50 per cent—not his profit, but his margin, out of which he has to pay all his overhead expense, the cost of running his business, and his profit. Fifty per cent of 13.2 cents is 6.6 cents. That brings us up to 20 cents on a pair of these heavy, cheap workmen's shoes that the farmer uses and that the laboring man uses. I am sure no one will contend that that is too high an estimate.

Mr. GOODING. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Idaho?

Mr. LENROOT. I do.

Mr. GOODING. I am going to contend that it is entirely too high. An addition of 50 per cent every time a merchant turns over a pair of shoes—and he turns over his capital in some cases, I think, several times a year—is entirely too high, unreasonably high. It can be properly called, in my estimation, profiteering.

Mr. LENROOT. Does the Senator say that the retailer does not mark up his goods 50 per cent?

Mr. GOODING. I think in some cases he does; I think maybe that is true; and in some cases 100 per cent; and I notice that some of the department stores mark them up 3,000 per cent.

Mr. LENROOT. Who pays that—the consumer?

Mr. GOODING. I do not think there is any question of doubt about the consumer paying it; but you are not going to charge it up to the farmer, are you?

Mr. LENROOT. Who is talking about charging it up to the farmer? I am talking about what this is costing the consumer.

Mr. GOODING. We are discussing now the duty on hides.

Mr. LENROOT. Yes; and I am talking about what a duty on hides will cost the consumer. Does the Senator from Idaho understand that?

Mr. GOODING. Thoroughly.

Mr. LENROOT. Very well. Does the Senator deny that it will cost the consumer at least 20 cents a pair?

Mr. GOODING. I will agree with the Senator that it may cost him that, but it ought not to; and if the Senate will do its duty and stop profiteering in this country the consumers will not have to pay the prices that they are paying for the necessities of life.

Mr. LENROOT. The Senator can make himself a public benefactor, and monuments will be erected to his memory in generations to come, if, after we have concluded the consideration of this tariff bill, he can devise legislation and get it through the Congress of the United States that will stop profiteering in the United States.

Mr. GOODING. I will say to the Senator that I shall be glad to help try, and I know I shall have the Senator's assistance.

Mr. LENROOT. The Senator certainly will. If he can devise a way to do it he will have my cordial cooperation.

Mr. GOODING. I would suggest to the Senator that we start in and fill what penitentiaries we have in America, and build a few more and fill them up, and we will stop it very quickly.

Mr. LENROOT. Yes, Mr. President; but, unfortunately, Senators can not fill penitentiaries.

Mr. GOODING. They can make laws that will fill them.

Mr. LENROOT. It requires juries of the United States, composed of citizens of the United States, to find men guilty, before penitentiaries can be filled.

Mr. President, I think it will have to be conceded, therefore, that the very least the consumer will have to pay upon a rough working shoe is 20 cents a pair by reason of this proposed duty upon hides.

In the testimony of Mr. Frank B. McClain, vice president of the National Live Stock Exchange, Chicago, he said:

The question of a tariff on hides not only has direct relation to the ranchman with his tens of thousands of head of cattle, but, as well, has relation to the small farmer who keeps only one cow for his family use.

This gentleman, when he made that statement, spoke more truly than he realized. It has a relation to the farmer who has only one cow. It is the farmer who has only one cow that will contribute to the packers of the United States for this duty that is proposed upon hides.

That is his relationship to it; and let us assume, Mr. President, that there is a farmer, and that he has more than one cow, and that he himself slaughters one "critter" a year. The Senator from North Dakota said that he expected that the benefit upon an average hide would be \$1.20. Let us assume that. Let us assume that a farmer with a wife and five children does slaughter a cow, sells the hide, gets \$1.20 more for it, and for that family of six he has to buy two pairs of heavy shoes a year, or 12 pairs of shoes, that cost him 20 cents a pair more. For a benefit of \$1.20, the amount by which you increase the price of his hide, he has paid \$2.40 in the increased price of his shoes; and that is a farmer, Mr. President, who, we assume, does have a hide to sell. What will you say of the millions who do not have a hide to sell?

Mr. BURSUM. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from New Mexico?

Mr. LENROOT. I do.

Mr. BURSUM. How does the Senator make out that the average increase will be 20 cents a pair?

Mr. LENROOT. Was the Senator in the Senate Chamber when I was stating how I arrived at that figure?

Mr. BURSUM. Yes.

Mr. LENROOT. If I did not make the Senator understand that, it would be hopeless for me to try to make him understand it.

Mr. BURSUM. Certainly that would not hold good with children's shoes. The Senator knows very well that children's shoes and ladies' shoes are not, as a rule, made out of cowhide. There is very little of that class of material in that kind of shoes; and in the case of the farmer who had a half dozen children, they would not likely be all grown-up men. If they were, they would probably be out at work for themselves.

Mr. LENROOT. Is the Senator familiar with the committee amendment?

Mr. BURSUM. Reasonably so, I think.

Mr. LENROOT. Does the Senator know that the committee amendment reports a compensatory duty of 12 cents a pair upon all shoes—men's, women's, and children's—made of leather from hides?

Mr. BURSUM. I understand that thoroughly.

Mr. LENROOT. Does the Senator think the committee was wrong in reporting that duty?

Mr. BURSUM. We have not gotten to that yet. It may be wrong, and it may not be wrong. Anyway, it does not necessarily imply that it would mean a raise of 12 cents. It does not necessarily imply that it would mean a raise of 20 cents. If we have competition in this country in the manufacture of these shoes the law of competition should apply, and if the shoes do not contain any of the leather contained in cowhides, why should they be entitled to a compensatory duty?

Mr. LENROOT. Does the Senator contend that the heavy working shoe, used by the mass of the people of this country, which the farmer uses in his daily work around the farm, is not made of this kind of leather?

Mr. BURSUM. Some of them are; yes.

Mr. LENROOT. Does the Senator say that the farmers of this country in their work upon the farm use shoes like the Senator wears?

Mr. BURSUM. Well, we have different kinds of farmers.

Mr. LENROOT. Yes; that is just the point, Mr. President. We have the kind of farmer that may have a thousand head of cattle that wears shoes like the Senator from New Mexico and I wear all the time and buys only one or two pairs a year. Then we have the real farmer, who does the work himself upon the farm, with his wife and five children, who may have one hide to sell during the year, but who has to buy a dozen pairs of shoes during the year, most of them heavy shoes. Those are the two kinds of farmers we have. I am rather

looking out for the real farmer and not for the farmer that wears only the kind of shoes that the Senator from New Mexico speaks of.

Mr. GOODING. Mr. President, will the Senator yield?

Mr. LENROOT. Yes; I yield.

Mr. GOODING. I do not understand that the committee amendment provides a duty of 12 cents a pair on all kinds of shoes. Does the Senator understand it that way? That is not the intention of the committee, I am quite sure.

Mr. LENROOT. Twelve cents a pair on all shoes made of this kind of leather.

Mr. GOODING. Yes; of cowhide.

Mr. LENROOT. I said that.

Mr. GOODING. I did not understand the Senator to put it quite that clearly.

Mr. LENROOT. If I did not, I beg the Senator's pardon.

Mr. GOODING. Then the Senator figured it out on the basis of six in a family; and, as has been well stated by the Senator from New Mexico [Mr. BURSUM], the wife, at least, on the farm will not wear cowhide shoes, nor the babies, nor the children.

Mr. LENROOT. No part of the children's shoes is cowhide?

Mr. GOODING. Possibly the heel.

Mr. LENROOT. Well, there is no use in discussing it with my friend from Idaho.

Mr. STANFIELD. Mr. President—

Mr. LENROOT. I yield to the Senator from Oregon.

Mr. STANFIELD. I should like to ask the Senator from Wisconsin if it is his idea that the manufacturer is going to attach the duty of 12 cents a pair on these shoes; and if so, how does he reconcile that with the statement he made a moment ago that our importations of shoes of that kind were negligible?

Mr. LENROOT. Mr. President, I assume that when the Senate Finance Committee give a compensatory duty, as they did upon shoes, the assumption is that will be attached, because in so far as they are imported it must be attached, because it is a part of the cost.

Mr. STANFIELD. But the importation is so small.

Mr. LENROOT. Oh, no; the importation is not small. The importation is from 35 to 40 per cent of our whole consumption.

Mr. STANFIELD. On the hides, yes; but I am speaking of the compensatory duty on shoes. Of course, the manufacturer will pass on the duty on hides.

Mr. LENROOT. That is all the compensatory duty is for.

Mr. STANFIELD. Yes; but the Senator added that to the duty on the hides—12 cents per pair.

Mr. LENROOT. Yes.

Mr. STANFIELD. It does not amount to that much.

Mr. LENROOT. Then the committee is wrong if it does not. I am not. I am taking the judgment of the committee as to what the duty should be.

Mr. STANLEY. Mr. President, we can not hear the Senators.

Mr. LENROOT. The Senator from Oregon says the actual compensatory duty does not amount to 12 cents a pair. I have said that I have tried to be so conservative that I have taken the judgment of the committee.

Mr. STANFIELD. The chairman of the committee made the statement that it was 12 cents a pair on all shoes.

Mr. LENROOT. Made altogether of this kind of leather.

Mr. BURSUM. Made out of cowhide.

Mr. LENROOT. Out of cowhide; yes.

Mr. STANLEY. Mr. President, I do not wish to ask a question, but I want to get this point clear, because I am following the Senator with a great deal of interest. As I understand, this is a duty upon hides of the bovine species. It applies to a calfskin just as much as to a cowhide?

Mr. LENROOT. No; I believe there has been a construction that it does not include calfskins.

Mr. GOODING. Skins weighing less than 25 pounds are classed as calfskins and would not be dutiable under this act.

Mr. LENROOT. Mr. President, a calfskin is not known as a hide, but as a calfskin.

I see that my time has almost expired. I feel very deeply upon this. I believe that this duty, if it is carried into this bill, will injure every farmer in the United States, except possibly the man who has immense herds of cattle. That is the only class of people it can possibly benefit, and the benefits even to that class are doubtful in the extreme. So far as 99 per cent of the farmers of the United States are concerned, if this tariff on hides is carried into the law it will, in my judgment, cost them each year more than twice as much as any possible benefit they may receive from this tariff, and therefore I shall vote against the amendment.

Mr. LODGE. Mr. President, as a protectionist I am in favor of protection without any regard to locality whatever, and I certainly should not attribute to any of my fellow Senators any desire to sacrifice one part of the country to another, because I have no desire myself for anything of that kind. But this question that is before us to-day is one affecting a great national industry. Cattle are not raised alone on the great ranges of the West; they are raised also by farmers who are scattered from the Atlantic to the Pacific. Boots and shoes are worn by everybody. Therefore the question involved here is as extensive as the boundaries of the Nation.

Everyone who has ever given any attention to a tariff, whether it is a tariff for revenue only with incidental protection, or a protective tariff with incidental revenue, knows that there is a frequent interlocking and crossing of different products; that is, that the finished product of one producer may well be the basic material of another producer. I think I may say that it is obvious, and must be accepted by everybody, that if you leave the most highly finished article in any industry free of duty, and impose a duty on the basic material used in that industry, the days of that industry are numbered. It will be taxed out of existence, and I do not know that anybody ever proposes that.

There are other cases which are more difficult, cases in which the finished product, the highest product, has a protection by duties, and must have protection if it is to compete, under the American scale of wages, with the foreign manufacturer, and not infrequently those industries feel that the basic materials which they are obliged to buy ought to come in without duty. That has always seemed to me an illogical and unfair proposition, though I think it has come before all of us many times in our experiences.

Then there is the third situation, where the maker of the most highly finished product in the industry is entirely content that his product should receive no protection at all, provided he can have his basic material free of duty. I think that is both a logical and a reasonable proposition.

The Senator from Montana [Mr. WALSH] stated that the other day very tersely in speaking of newsprint paper, that as the manufacturer of newsprint had no protective duty he came within the general class of industries making highly finished products, which asked for no protection themselves, and therefore were entitled to be relieved of duties on the basic materials of their industry.

The basic material of an industry—for, strictly speaking, there is no such thing as a raw material—is one man's finished product which is used by another man in a much more highly manufactured product; but where the makers of the highest product of the industry, as I have said, are willing and content to have their production unprotected by duties, I think they are entitled to have their basic materials free.

A manufacturer has no right to ask that everything that goes out of his factory shall be protected and that nothing that comes into it should bear a duty, but the man who is willing, as the maker of the highest product, to say, "All that goes out of my factory may go out unprotected by tariff duties, and I ask that everything that comes into it may also be unprotected by tariff duties," makes a fair proposition, and that is the case we are now discussing in regard to hides.

If I thought that a duty on hides would be of any material benefit to the farmer I should be very slow and very reluctant to refuse to impose a duty; but hides are a by-product. Cattle are not raised for their hides, and it is difficult for me to see how the farmer can get any benefit from a duty on hides. The statement of the Farm Bureau Federation which has been read here concludes by giving the reasons, and then says, "Therefore we believe that hides, leather, and leather products should remain on the free list," is pretty good testimony as to the feeling of the farmers. The farmers in my State, of course, are all small farmers. We have dairy farms and what are called truck farms. I have yet to hear a suggestion from one of them that they desire a duty on hides or that they think there is any benefit to them in it.

Cattle are sold by weight. The hide, I believe, is about 6½ per cent of the total weight of the animal. The average farmer would get nothing, and the small farmers, perhaps with only two or three cows each, would in the aggregate probably have more cattle than all the great cattle raisers in the country.

Who would get the benefit of the duty, if there is a benefit in it? Obviously it would come to those persons who possess the hides after they have been taken from the dead animals. So far as I can learn, the large majority of those hides pass into the hands of the packers. Those engaged in the next stage of the industry are the heavy leather tanners, and I

judge of what their feeling is about it by the statement they have made in their brief here signed by 40 great firms, which is as follows:

The American tanner believes that the reciprocal duty should be placed on leather to protect against the dumping of foreign leather in this country, but so absolutely essential does the independent tanner regard free hides as necessary to his continued existence, that to continue to have free hides he will accept free leather.

He would rather have the danger and risk which come from having free hides than to take the certainty of loss which he sees in the other direction, and he feels also that he would be deprived not only of the control of the domestic hides, which has already passed to the packers, but he would likewise be deprived of any relief such as he can get from the imported hides.

The hide passes from the tanner into very many articles which are made from leather, but chiefly into boots and shoes. The manufacture of boots and shoes happens to be a very large industry in my State and in some of the other New England States. It is also a very large industry in New York. It is not confined to the East at all. I think the third State in the manufacture of boots and shoes is Missouri, which produces about 109,000,000 pairs annually. It is an industry which has spread halfway across the continent.

I am not going to waste time going over the number of people employed, but, as a rule, a shoe factory is a small factory. They are not great concerns. Most of them have very moderate capital, and there are no combinations among them. The number of operatives employed is very large.

I will also say, in passing, as I am speaking of the character of these factories, that in a somewhat varied experience of tariff making this is the only industry from which I have received strong resolutions in regard to the effect of the tariff from the men who work at the bench, and those so engaged in this industry have appealed to me in regard to this matter of a duty on hides even more than the manufacturers have. They feel keenly the importance of this duty and the injury it would be to them if imposed.

Now, let me say further that we import, I think, about one-third of the hides used in the country, a very large amount. It was stated to-day by the Senator from North Dakota [Mr. McCUMBER]—I do not think this is at all an essential part, because I think the subject is too serious to be decided by the amount of revenue—that the amount of revenue to be derived from the importation of hides would be about \$15,000,000. I find that in 1920 the number of dried hides imported, which would bear a 4 per cent duty, were 59,000,000 pounds, in round numbers, and the green hides, which would bear a 2 per cent duty, were 216,000,000 pounds, in round numbers. Upon that basis the total revenue would be \$6,680,000. That would be the revenue if we had next year the imports that we had in 1920.

Taking the actual figures for the first nine months of 1921 and estimating the remaining three months on the average, there were 12,000,000 pounds of dried hides imported,

which, with a 4 per cent duty, would yield \$497,000. There were 171,000,000 pounds of green hides, which would yield \$3,430,000, and the total revenue would thus be \$3,927,000. So that the revenue is by no means as serious as the Senator from North Dakota seemed to think.

It is also to be noted that the price of hides fluctuates enormously because, owing to the imports of 80 per cent, the domestic prices are affected by the world's price. I have here a table which I have had prepared, very simple in its nature, showing the prices of hides running from April, 1921, to July, 1922. I wish I might have it printed, because, like all graphic presentations, it is illuminating. The cattle and beef prices are shown to run almost together, the fluctuations being very similar and quite moderate in range. When we come to hides there are enormous variations, showing a very great fluctuation in the prices of hides and that they are not governed by the price alone in this country.

Mr. WADSWORTH. The price of hides is not governed by the price of cattle, I may suggest to the Senator.

Mr. LODGE. That is very true. It is shown that the price of hides is not governed by the price of cattle or by the price of beef. They have another and different range of prices which is all their own.

Now I have gone as far as the maker of the boots and shoes, which are the principal leather product. I have shown what can be said in one word, that they are all content that there should be no protective duty on their products at all, but they ask in return that the principal basic material of their industry shall come to them free. We are unable to supply them from our own resources. We must buy hides in order to maintain the industry which produces \$501,000,000 worth of boots and shoes in a year.

Now I go a step further, to the consumer of boots and shoes. The consumer of boots and shoes, of course, lives all over the country and in every part of it. I think we may say as Americans that the habit of wearing boots and shoes is almost universal in this country. I was anxious to see what part of the leather which is used for boots and shoes or for footwear would come from hides affected by this duty or from other hides. I have here certain figures in that regard, the best I could get, made up by the tanners' council in June, 1922. Of course they can show, with more accuracy than anybody else, what their own production is. Of the heavy cowhide upper leather there were 163,000,000 feet; cowhide patent sides, 38,000,000 feet; calfskins, 59,000,000 feet; kip and veal, 23,000,000 feet; kid and goat, 112,000,000 feet. I have given only the round figures. Then they give the exports, which I shall not repeat. One hundred and fifty-seven million feet of heavy cowhide upper leather is used in the United States and will produce in round numbers 63,000,000 pairs of shoes. Of the cowhide patent sides, 36,000,000 feet used in the United States will produce 13,000,000 pairs of shoes. In all, this would mean 76,319,000 pairs of shoes. The calfskin, kip and veal, kid and goat produced altogether only 58,000,000 pairs of shoes.

The figures in detail are as follows:

Statement showing production, exports, and consumption of leather and hides.
[From the Tanners' Council, June, 1922.]

Leather and hides.	Quantity.	Feet.	Feet exported.	Used in United States.	Pairs of shoes.
Heavy cowhide, upper leather.....	8,185,581 sides, average 20 feet.....	163,711,620	5,854,445	157,857,175 feet will produce.....	63,142,870
Cowhide, patent sides.....	2,330,691 sides, average 16 feet.....	38,001,056	11,738,674	36,352,382 feet will produce.....	13,176,191
Total.....					76,319,061
Calfskins.....	5,936,630 skins, average 10 feet.....	59,366,300	10,915,702	72,620,488 feet will produce.....	16,343,535
Kip and veal.....	1,311,105 skins, average 18 feet.....	23,599,890			
Kid and goat.....	24,945,460 skins, average 4½ feet.....	112,268,110.5			
Total.....			21,573,549	90,694,561.5 feet will produce.....	36,277,324
Grand total.....					58,668,709
					134,987,767

Mr. McCUMBER. Mr. President, will the Senator inform me whether the figures he has quoted of the importations of the cowhides mean that all of those went into the manufacture of shoes?

Mr. LODGE. These are not importations.

Mr. McCUMBER. They are figures of production?

Mr. LODGE. The production of the tanners in the United States.

Mr. McCUMBER. What proportion of those went into the manufacture of shoes, I mean? Of course, we have covers for automobiles and many other things in which we use the split leather.

Mr. LODGE. Certainly. They are giving only the amounts of shoe leather of the different grades. If the Senator wants more details, I shall give the exact figures from one of the biggest factories in the country.

Mr. McCUMBER. The details, if the Senator will allow me, do not explain it very well to us.

Mr. LODGE. They give the proportion of leather used for shoes. Now, I may show from a practical case just what proportion they do use in the shoes. I intend to give that with reference only to one great manufacturing company.

Mr. McCUMBER. When the Senator gives that, I should like to ask him an explanatory question.

Mr. LODGE. I quote now from a letter which was given to me, signed by Mr. F. C. Rand, of the International Shoe Co., of St. Louis, in reply to a letter from a friend of mine, as follows:

As you know, our company manufactures a general line of shoes, both dress and work shoes for men, boys, women, girls, and children. Our production is probably the most representative in America to meet the universal demand and consumption of shoes.

We are operating a large number of factories and seven tanneries, three of which are upper leather, four sole leather. These tanneries are operated exclusively on cowhides.

Based on our actual upper-leather requirements for last week, which was a normal week with all of our factories in operation, our consumption of upper leather was as follows: Cowhides (sides), 53 per cent; all other upper leathers, 47 per cent.

Estimating that outsoles, insoles, counters, heels, etc., would require footage equal to that consumed in uppers, the percentage of shoes made from cow and steer hides, or cattle hides weighing more than 25 pounds, would be approximately: Cowhides, 77 per cent; all other leathers, 23 per cent.

That is the proportion in the use of cowhides and the other skins and hides in the boot and shoe industry.

Mr. McCUMBER. That would carry the idea, if the Senator will allow me, that of a given number of feet of cowhides only a certain number go into the manufacture of shoes. Now, the Senator knows, as I do, that the cowhide is split into one or two parts, and in the uppers, instead of there being a duty of so much per pound, if it is cut in three parts or split into three parts, the duty in fact would be only equivalent to one-third upon the split leather that goes into the uppers. I am informed by the experts that not to exceed 10 per cent of the uppers are of the full thickness of the cowhide.

Mr. LODGE. Of course, the principal use of the heavy hides is in the soles and heels, but a major proportion of the uppers are made also from cowhide. I did not say the full duty on the cowhide must be assessed on the split portions. I know very well that the duty is assessed on the entire hide.

As to the figures which I have given from the tanners' council they simply classify as to the number of pairs of shoes that their tannery output would produce and give substantially the same proportion that is given here. The author of the letter, Mr. Rand, from whom I have quoted, is an actual and very large manufacturer. He uses in the manufacture of the most varied products of shoes of all kinds 77 per cent of cowhide to 23 per cent of all other leathers. Therefore, the principal leather used in the manufacture of boots and shoes was what the bill terms "bovine hides."

Of course, if the duty goes on the hide there must be a compensatory duty, and the Committee on Finance have admitted that. They have made a very elaborate and, I have no doubt, very carefully prepared schedule of duties on the manufactured article. If the hide duty goes on it is only the fairest and simplest justice, unless we wish to destroy this great industry, that those who make the shoes and boots and the other articles of leather should have a compensatory duty. Of course, the Committee on Finance have recognized that principle. As tariff experts they know a great deal about it, and they see that must be done. They have given on shoes, as the Senator from Wisconsin pointed out, 12 cents a pair, which is a compensatory duty, and 5 per cent, which is a very moderate protective duty under the circumstances.

I do not need to go into the other question. If we are going to put a duty on hides, it would not be of any benefit to those who seek it if we by so doing did not raise the price of the hides. If we thus raise the price of hides, we must expect to add the compensatory duty upon the boots and shoes and all other manufactures of leather.

Mr. President, to come back to where I started. When the workers in an industry, which includes not only the boot and shoe makers and other workers in leather but also the tanners, who fill the intervening stage, when all these people so deeply interested think it more important to their industry than any protection they can receive to have their basic material free, I think they are entitled to have it free.

We are the master makers of boots and shoes in the world. We have a great export trade, the amount of which I have roughly figured here, amounting to \$30,000,000 a year in boots and shoes. The importation is trivial. I think it is only some \$400,000. Of course, if the basic material of the shoemakers is increased in value their product will also be increased in value, and they will suffer both in the market of the world, where the competition is keen, but we shall also endanger the great export trade. They will suffer, too, from the fact that the duty will tend to drive the foreign hides away from this country and give better opportunity for competition to the makers of boots and shoes and other leather products elsewhere.

Mr. President, the key of this whole situation, to my mind, speaking as a protectionist, is that this great industry asks no protection; it asks no duties; it asks no favors; but asks only

to be allowed to buy its basic material in the open markets of the world. Those who tan the leather and perform that essential part in the production of leather work of all kinds also ask to have this market in order that they may not be driven out of business and completely absorbed by the packers, who necessarily have the greatest supply of hides and who inevitably will benefit by the proposed duty more than will anybody else.

Mr. POMERENE. Mr. President, I have understood that the slogan of the shoe manufacturers of the country is "Free hides, free leather, and free shoes." I believe they are right; I believe in their slogan. I am going to vote for free hides and free leather and free shoes.

The senior Senator from Massachusetts [Mr. LODGE] has pointed out the extent of this industry in Massachusetts. In the manufacture of shoes Massachusetts leads the country. There are several other States whose shoe industry exceeds that of Ohio, but it is a very substantial industry also in Ohio, and it means a vast deal to the 6,000,000 people who live in that State. The people of Ohio are very greatly exercised about this matter. I have here, though I am not going to take time to refer to them, probably 150 letters, most of them from retail shoe dealers, and, with all due respect to the fine mathematical analysis which has been made by members of the Finance Committee touching the effect of this tariff on hides on the manufactured product, I am prone to believe that the retailers of Ohio also know something about that subject.

There has been this peculiar condition affecting the shoe trade in Ohio and elsewhere. Everyone recognizes that, due to the war, hides were bought in vast quantities by the manufacturers and the tanners, and, I think, by the Government as well. In any event, great purchases were made due to war conditions. These purchases abnormally increased the price of the hides and the price of shoes. When the reduction in the price of hides came, of course that could not be transferred immediately to the leather which had already been manufactured or to the shoes which had already been manufactured. The retail establishments were filled with high-priced shoes at the time when these reductions in the price of hides took place. Prices of shoes kept up. It may be that they were kept up unduly, but I personally know, from conversations with many of the retail dealers, that they deplored the high prices of shoes. Bankruptcy confronted them if prices were reduced to normalcy at once.

I know, too, that for months past, if not for a year past, efforts have been made to reduce these prices. Now comes an effort to increase the duty on hides, to increase the duty on manufactured leather and on shoes. What effect is it going to have on the price of shoes generally throughout the country? I have no doubt that the increase in price of shoes, due to these tariff duties, is going to be very substantial; and where is it going if the duty of 2 cents is imposed on rawhides or 4 cents on dried hides? The Summary of Tariff Information, which we have before us, indicates the yearly production of hides in this country to be about 12,000,000 hides annually.

Mr. BURSUM. Twelve million hides?

Mr. POMERENE. Yes.

Mr. BURSUM. The hides produced annually amount to nearly 800,000,000 pounds.

Mr. POMERENE. I am speaking of the hides; I will get to what the Senator suggests in a moment. These hides average about 50 pounds per hide, which means about 600,000,000 pounds of hides produced in this country each year. At 2 cents a pound, that means \$12,000,000 increase on hides alone. The same authority tells us that about 60 per cent of the hides produced in this country are produced by the packers; so that \$7,200,000 of this duty which we are placing upon hides is going directly to the packers as the principal beneficiaries of it.

Mr. STANFIELD. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Oregon?

Mr. STANFIELD. I should like to ask the Senator if the farmer, and not the packer, is not the real producer of the hides? The packer is simply interested in their conversion as a by-product.

Mr. POMERENE. Oh, Mr. President, who is producing the hides for the sake of the hides? What farmer is? Who is benefited by it? Who when he raises his steer and slaughters it is thinking of the price that he is going to get for the hide? Who is thinking of the tariff on the hair that is on the hide? The packers are very greatly interested. The farmer who may have one or two hides a year is only incidentally interested, if he is not wholly indifferent to the subject.

Mr. STANFIELD. Surely the Senator understands that every day the live-stock market is made up from the reports of the hide market and the dressed-meat market and other by-

products markets of the beef animal and the probable effect of the available supply of animals offered for slaughter.

Mr. POMERENE. Mr. President, I understand the position of the Senator, and, with all due respect, I do not think the Senator is interested in the average farmer.

Mr. STANFIELD. I must take exception to that statement, because I most assuredly am. Even from the standpoint of my own welfare I am interested in the farmer, because that is my principal business.

Mr. POMERENE. I think that is true. However, every time the tariff comes up here there is something said in behalf of the farmer and the little fellow back in the country, but no account is taken of the shoes that his family wear; that is not thought of. The farmer thinks more about the price of shoes than he does about the hide.

The Senator from Wisconsin has shown that one of the great national farm organizations is in favor of free hides. That is also my information. And, Mr. President, one of the members of the Finance Committee has suggested that there could not be possibly an increase of more than 6 or 7 cents per pair of shoes due to this duty. I know that is the method of calculation when we try to show the infinitesimal effect of some tariff duties that can not be otherwise defended; but everyone knows that a tariff on hides is only a part of the initial cost, and that every time the hide changes hands, from the raw material to the finished product, the cost is pyramided the same as any other cost.

Mr. BURSUM. Mr. President—

Mr. POMERENE. I will yield in a moment.

Mr. President, the Senator from Wisconsin has pointed out what this increase means. There is a duty of 12 cents per pair provided in the pending amendment on the finished product, and 5 per cent ad valorem on all shoes made out of the hides of cattle of the bovine species, and on "all other boots and shoes, made wholly or in chief value of leather, not specially provided for, 6 cents per pair."

I am not prepared with the figures to say just how many pairs are produced. I feel perfectly clear that there are consumed by the people of this country at least two pairs of shoes per year, and many who are doing heavy work out in the fields, on the highways, and in the factories are obliged to buy more than two pairs of shoes per year. The school children in their play wear out often more than two pairs per year. Assume, for the sake of the argument, that the average increase is only 12 cents a pair; in the State of Ohio we have about 6,000,000 people, and two pairs per man, woman, and child would make 12,000,000 pairs, and 12 cents per pair would mean \$1,440,000 increase in the shoe bill of the State of Ohio alone.

I wish I were able to understand what this modern Republican theory of a protective tariff is. I confess that I am not able to understand it. I thought when I came to the Senate that I understood what the fathers of protection claimed for it. The lamented McKinley, whose name is attached to one of the great tariff bills of the country, was the prince of protectionists in his time. Secretary James G. Blaine was a Republican and a protectionist; and yet, when the McKinley bill was before the Congress and William McKinley was chairman of the Ways and Means Committee and James G. Blaine was Secretary of State, under date of April 10, 1890, he wrote this letter:

DEAR MR. MCKINLEY: It is a great mistake to take hides from the free list, where they have been for so many years. It is a slap in the face to the South Americans, with whom we are trying to enlarge our trade. It will benefit the farmer by adding 5 to 8 per cent to the price of his children's shoes. It will yield a profit to the butcher only, the last man that needs it. The movement is injudicious from beginning to end, in every form and phase. Pray stop it before it sees light. Such movements as this for protection will protect the Republican Party into a speedy retirement.

Yours hastily,

JAMES G. BLAINE.

Mr. President, other bills have been passed by Republicans and by Democrats alike, when in control, placing hides and the finished leather products, such as shoes, on the free list. Now, it comes to the point where, no matter what the effect may be upon world trade or upon our manufacturers here in this country or upon the consumers in this country, we are going to have these extraordinarily high protective rates placed upon the statute books. In the language of at least one Senator, and I think—I hope, at least—he stands alone upon this subject, he would place the tariff wall so high that no goods of any kind could get into this country.

With a billion and a half to two billions of surplus farm products seeking a world market each year, with two and a half to three and four billions of surplus manufactured products seeking the foreign markets of the world, think what the effect will be if we are to adopt a tariff so high that no one can trade with us. What is the effect going to be? We speak of low prices of farm products. If this kind of a theory is to be

carried out we will drive the price of farm products lower than they ever were before because we will not be able to find a market for our surplus.

Mr. President, if the farmer were producing hides as a principal business I could understand how some defense could be made of this tariff duty on hides; but that is not the situation. The farmer, when he kills a steer on his farm, does it for the meat that it produces, not for the hide. I am not suggesting that he is not entitled to a reasonable price for the hide. He is, and I want him to have it; but when it comes to a point where for the benefit principally of the packers of the country we levy a duty which gives them \$7,200,000 out of \$12,000,000 increase in price, I think it is time that we pause.

Mr. STANFIELD. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Oregon?

Mr. POMERENE. I yield.

Mr. STANFIELD. In the opinion of the Senator, will the duty on hides be a benefit or a disadvantage to the South American holder of hides?

Mr. POMERENE. If the South American hides can be brought into this country he gets the benefit of the market; the tanner gets the benefit of it; the shoe manufacturer gets the benefit of it; the consumer gets the benefit of it. Only about 60 per cent of the hides which we consume in this country are produced in this country.

Mr. STANFIELD. I am referring to the South American hides.

Mr. POMERENE. Oh, yes; there will be some incidental benefit, and there will be a benefit to us when we can sell our shoes in the South American trade.

Mr. STANFIELD. My question was, Will the tariff be a benefit to the owner of the South American hides before they enter this country?

Mr. POMERENE. The Senator means the tariff that is placed on hides here?

Mr. STANFIELD. If it shall be placed, yes; will it be beneficial or detrimental?

Mr. POMERENE. Why, of course, it is not going to benefit him.

Mr. STANFIELD. It is going to be detrimental to him, then?

Mr. POMERENE. To some extent, possibly. In other words, to the extent that a tariff duty is placed upon the importation of hides it is going to contract his market.

Mr. STANFIELD. Mr. President, undoubtedly the Senator from Ohio is aware that the output of South American hides is controlled by the great American packers that he maintains are instrumental in having this duty placed upon hides.

Mr. POMERENE. Oh, now, the Senator is in love with the packer, and he is passing a law here which is for his benefit directly and for the benefit of the other man only indirectly.

Mr. STANFIELD. I am attempting to show that the Senator from Ohio is not consistent in his arguments here.

Mr. POMERENE. It is the Senator from Oregon who is not consistent.

Mr. STANFIELD. On the one hand, the Senator from Ohio says the duty is detrimental to him. I say that he controls the South American hides, and I want to say to the Senator and to the other Members of the Senate that if there is any man in America who wants free hides it is the packer who wants free hides. There is a reason why he should want them, and that is the reason, and I say that the arguments of the Senator from Ohio are inconsistent.

Mr. POMERENE. And the Senator from Oregon wants to place a duty of 2 cents per green pound of hides on the 60 per cent of the 12,000,000 hides that are produced by the packer in this country; but he keeps that argument in the background, because it would not be consistent with his position that he loves the dear farmer, and wants this duty for the benefit of the dear farmer.

Mr. STANFIELD. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Ohio further yield to the Senator from Oregon?

Mr. POMERENE. Yes; I yield.

Mr. STANFIELD. The Senator from Oregon maintains that the beef market or the live-stock market changes as the hide market and as the skin market in the United States change. I maintain that the difference in the price of hides is passed on to the grower of the live stock. I do not agree with the Senator from Ohio that the hide is the product of the packer. It is the product of the live-stock producer. The packer, the very man that the Senator says wants it, I know does not want it. I know that he wants free hides, because he controls the world's output of hides. That is why he wants free hides.

Mr. WALSH of Massachusetts and Mr. STANLEY addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Ohio yield; and if so, to whom?

Mr. POMERENE. I yield first to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. Mr. President, when I was addressing the Senate a short time ago the Senator from Idaho [Mr. GOODING] interrupted me and challenged the assertion I made that the packers were importing hides from South America. I said they were importing them in substantial quantities. He said that was not so; that they are importing very, very few hides. His correction was a proper one, because the importation of hides from South America by the packers is very insignificant. The tanners of America to-day are buying their hides not from packers but from all over the world and from independent concerns other than the South American packers; so that the packers of South America are importing very few hides. My authority is the Senator from Idaho [Mr. GOODING], also the experts of the Tariff Commission, whom I only yesterday asked to look up this matter, and also manufacturers who have made a survey of the question. So that the Senator from Oregon finds himself alone in that proposition.

Mr. STANFIELD. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Oregon?

Mr. POMERENE. First, I ought to yield to the Senator from Kentucky. I will yield to the Senator from Oregon in a moment.

Mr. STANLEY. Mr. President, in the light of the investigation which was made by the Federal Trade Commission, their sweeping finding, and the statement universally made on the floor of the Senate when the packers' bill was up—a bill which I did not support—an assertion now that the packers would not get the benefit of any accretion in the value of hides is utterly untenable. It would be just as sensible to attempt to benefit the pork raiser by putting a tax on bristles as to attempt to pass this benefit through the packers to the raiser of beef.

Mr. BORAH. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Idaho?

Mr. POMERENE. I first yield to the Senator from Oregon; then I will yield to the Senator from Idaho.

Mr. STANFIELD. Mr. President, for the enlightenment of the Senator from Massachusetts, as well as the Senator from Ohio, I want to say that it is a well-known fact that the American packers control the slaughtering business of South America, and largely control that of Australia. It is a matter of common knowledge.

Mr. WALSH of Massachusetts. They do not import hides in large quantities. I think the Senator from Idaho [Mr. GOODING] will agree with me in that statement. I ask him now if he did not say to me to-day on the floor that the importation of hides by the packers was insignificant?

Mr. GOODING. I understand that the packers do not import any hides. That is my information. At least, I have that information from manufacturers and other sources.

Mr. STANFIELD. I think the Senator from Idaho will admit that they control the hides of South America, because they do the slaughtering in South America. That is generally well known.

Mr. POMERENE. We will allow the two great protectionists of the Senate to settle their differences upon that subject. I yield now to the senior Senator from Idaho.

Mr. BORAH. Mr. President, yesterday I received a letter from a very large farmer in my State, part of which I had intended to read in some remarks that I intended to make myself; but will the Senator permit me, in connection with this question, to read a paragraph from that letter?

Mr. POMERENE. I shall be very glad to yield to the Senator for that purpose.

Mr. BORAH. He says:

It seems to us farmers who really farm that we are paying too much for the protection we are getting in the tariff bill you fellows are passing. I can explain by the tariff on hides. We did not think you folks would be ignorant of how that tariff would work. The real farmer will never get any benefit from that duty. The fellows at Chicago and Omaha either skin the steer or skin the fellow who does skin him. They are the ones who take off the hides, and they control the price of all other hides.

I have been raising a few cattle for 30 years. I am not an expert, because I know the facts; but when it comes to the leather and shoes, then we will feel the effect of the duty. They will charge us more for shoes and tell us, whether it is true or not, that "it is because

you farmers would have a duty on hides"—a duty which does not help us. We would rather not give the shoe people an excuse for charging us more for our shoes, and leave off the duty on hides. It is all bunk. It does not help the farmer.

Mr. POMERENE. Mr. President, I assume from what the Senator's correspondent says that the letter was written by a farmer who farms a farm, and not by a farmer who farms farmers.

Mr. BORAH. This man has been a farmer, to my knowledge, for a good many years, and farms a farm.

Mr. POMERENE. He has evidently learned in the school of experience.

Mr. STANFIELD. He may be a free trader.

Mr. POMERENE. He may not be a protectionist. He may be midway between the two; but I do not understand that the saints are all limited to those who believe in sky-high rates of duty. Neither do I think the sinners are all in that crowd who believe in a moderate tariff. I do not think that either side has a monopoly of wisdom or a monopoly of patriotism.

Mr. President, I was informed just a few minutes ago that it appeared in these investigations that the packers in the country had in stock a very large quantity of hides. Of course, if we place this duty upon the importation of hides the packers are going to be the beneficiaries, not only on account of the increased price of the hides they will produce hereafter but on this great stock of hides they now have in their possession. But I guess I should not even refer to that, because this duty is for the interest of the farmers!

For the reasons thus stated, I am unalterably opposed to this duty upon hides.

Mr. STANLEY. Mr. President, I fear the Senator from Wisconsin [Mr. LENROOT] did the Senator from Idaho [Mr. GOODING] a grievous injustice. He said the Senator from Idaho never got a duty high enough. I was surprised to see, in as dependable a paper as the New York Times of August 9, that the Senator from Idaho had voted for free white arsenic. I could hardly believe my eyes.

Mr. GOODING. The Senator need not believe his eyes, if he thinks it was the junior Senator from Idaho who voted for free arsenic. I did not.

Mr. STANLEY. I could not believe it when I read it in the paper, but it is here.

Mr. GOODING. The Senator can be assured that I did not vote for free arsenic.

Mr. WALSH of Massachusetts. The Senator from Kentucky owes an apology to the Senator from Idaho.

Mr. GOODING. Yes; and I demand it at once.

Mr. WALSH of Massachusetts. The Senator from Idaho has not voted that anything should be on the free list.

Mr. STANLEY. It is a mistake of the New York Times in referring to Senator GOODING.

Mr. BURSUM. Mr. President, the information given by the experts who have spoken to-day as to what is healthy and beneficial for the farmers is very interesting. The attitude taken by Senators on this floor with reference to a duty on hides, taking into account the States which they represent, would suggest that the idea of Hancock was not so far off after all, when he said that the tariff was a local issue. It seems to make a good deal of difference as to whose ox is gored.

I believe in the policy of protection. I believe that protection is right; that it is right for every section of the country and for every industry of the country whenever that industry requires protection in order to maintain the standard of American living in this country and to make ends meet. If it is proper to impose protective tariff duties on the manufacturer's goods, certainly it ought to be proper to impose protective duties on the basic products upon which the manufacturing industries depend, if those products are in need of protection, if the cost of production here as compared with the cost of production in foreign countries makes protection necessary in order to permit those industries to live.

I can not agree with some of the statements made here with reference to the reflection of the duty in the prices of the products so protected; that is to say, that if we impose a duty of 2 cents on green hides, it will not benefit the farmer or the producer of those hides. Certainly we expect that the duty will be reflected to a very large extent. Otherwise there would be no benefit derived by anyone.

I can not agree with the proposition that the packer takes for himself and puts into his own pocket whatever increase might be brought about in the value of hides by reason of this duty. There is no industrial institution in this country I know of which is more scientific in the handling of cattle, sheep, hogs,

and live stock of all kinds and by-products than the packing institutions of this country; and the prices and value of the by-products, as far as I have been able to observe, have invariably had a bearing on the value of the live stock sold on the market.

I know that in the case of lambs the value of the wool would have a great deal to do with the market value of the lambs. Whether or not a lamb was shorn would have a great deal to do with the value of the lamb upon the market.

The same rule must apply with reference to cattle. During the war there were times when hides were worth as much as 50 cents a pound, so a 60-pound hide would cost \$30. I can not conceive how anyone could pretend that such a hide was not a very substantial factor in arriving at the market value of the animal from which it was taken. Of course it is. There can be no question about it.

The Senator from Wisconsin [Mr. LENROOT] laid great stress on the compensatory duties which would be levied, stating that the imposition of a 2-cent tariff duty would mean an additional cost of 12 cents, being the compensatory duty allowed for each pair of shoes imported, and he pyramided the profits of the manufacturers, the jobbers, and the retailers, and brought the total increase in the cost up to 20 cents a pair. I submit that it is very unfair to undertake to say that because of this compensatory duty there would be an increase on each pair of shoes sold in this country amounting to 20 cents a pair.

A compensatory duty is not allowed except upon imports. Our imports of shoes will not amount to exceed 5 per cent of the total consumption of shoes in this country. Our production, I understand, is something over a billion dollars. The imports are about \$500,000,000. Therefore, even if all those shoes were made chiefly from the hides of cattle, the compensatory duty could not possibly amount to more than 5 per cent of the total consumption, and it is not at all likely that any large percentage of the imports would be confined to shoes manufactured from the hides of cattle. It is very likely that a large percentage of those shoes might be ladies' shoes, made out of kid, morocco, or some other kind of leather, which would be entitled to no compensatory duty.

Then, again, the tariff duty which is paid is not wasted. The duty which would be imposed upon the imports of hides, taking as a basis the importations for 1921, which I am advised are about 255,000,000 pounds, would amount to \$5,100,000, approximately. That money would go into the Treasury to defray the expenses of the Government. The duty is carried on to the consumer, and the consumer pays his pro rata of the expenses of the Government. Certainly the Government must derive the revenues to pay its expenses from some source, and what fairer method is there than to prorate the duty to the whole country, and what fairer method is there than to extend that expense of the Government to the consumer, who certainly enjoys the benefits? A great deal may be said about methods and means of levying taxes without reaching the consumer. No such method has ever been devised, and no such method will ever be devised, it matters not in what form you apply the tax.

A great deal has been said about the consumer being taxed and taxed and taxed. I submit that a producer is a consumer; that nearly all producers are consumers, and any producer who is not a consumer must be a middleman, who lives off his wits, who lives by dealing in the products of the real producer, and he is not an element of production nor does he contribute to the country's wealth. He might be described in many instances as a drone. There are all kinds of producers—producers of cattle, producers of sheep, producers of coal, producers of shoes, producers of steel, and producers of all sorts of farm products. All of these producers are consumers. If we are to have a well-balanced condition in this country we must permit every class of industry to enjoy the benefits of a relative purchasing power of his production to enable him to get along and make ends meet and live. Mr. President, I submit that the duty imposed is a very moderate one. It is not a high duty. It is lower than other duties which we have heretofore had.

There is another phase of the proposition to which I wish to direct attention. It is not only a question of whether or not we are going to afford protection to the raiser of cattle to enable him to get along, but the Nation has an interest in this great industry. There are certain essential industries which no government can afford to do without or permit to perish, because to do so would be dangerous to the peace of the country. No country can get along without meat, wool, cotton, or sugar. Those articles are just as necessary and essential for national defense as the most modern weapon that human ingenuity has been able up to the present time to devise. If we were to be dependent entirely upon foreign countries for the production of hides, if we had no home supply, another story might and

would be told as to the prices which the consumer would be obliged to pay. The only safe course for the country and for the consumers of the country is to preserve the home industries so as to guarantee to the people a reasonable competition and thereby keep in check and within the bounds of reason prices to be charged the consumers.

This is not a large duty. It will probably add from 6 to 10 cents a pair on certain kinds of shoes. Other classes of shoes will not be affected by the duty. I do not believe that the duty would be reflected in the price of shoes. My observation during these years while we have had cheap hides, subjected to a demoralized market, has been that shoes have been higher. They are higher to-day than at any time in the history of the country except the period during the war. With all the modern machinery and with the ability, as has been stated upon this floor, of the shoe manufacturers of the country to supply the markets of the world, why is it that shoes are higher to-day than at any time in our history except during the war? Why, Mr. President, a good pair of men's shoes to-day will cost in the neighborhood of \$12 at almost any retail store. A pair of lady's shoes will cost almost as much, if not more. It can not be said that the tariff has any effect on that price, because there is no tariff. Why is it?

It has been said on the floor of the Senate by the distinguished junior Senator from Massachusetts [Mr. WALSH] that there is no monopoly in the shoe-manufacturing business. That may be true. There may be no monopoly so far as ownership is concerned, but I say that there never was a better organized institution in the country than the manufacturers of shoes and the retail dealers in shoes. They are all organized—organized with an understanding as to prices, as to credits, as to methods. Annual conventions and semiannual conventions are held, and there is the closest cooperation among all the agencies which come within the lines of the shoe industry whose members are members of the organization and working with an understanding, if not an agreement. That, to my mind, accounts to some extent for high prices.

The duty is small. It is 2 cents a pound on green hides and 4 cents on dried flint hides. Four cents on dried flint hides is the equivalent practically of 14 cents on the green. The flint hides are produced mostly by small farmers and by ranchmen and by country butchers. The duty can not possibly, under any arrangement, exceed the compensatory duties which were allowed by the Finance Committee, and would not in any event affect more than 5 per cent of the total consumption of the country. It could not amount to more than 12 cents per pair of shoes. Yet a propaganda has been carried on, from the manufacturers to the jobbers and to the retailers all over the land, misrepresenting the effect of the duty, and plainly stating that in the event of the adoption of the duty it would increase the cost of shoes \$2.50 a pair, or twelve times the amount which is claimed by opponents of the bill upon this floor. That shows the kind of organization that has been behind the opposition to this schedule. The Senator from Utah [Mr. SMOOT] corrects me and states that I should have said fifty times the amount.

Mr. SMOOT. Two dollars and fifty cents a pair would be fifty times 5 cents.

Mr. BURSUM. Yes. The statement which I made was that it was twenty-five times the amount, which it was claimed by the opponents of the measure upon the floor of the Senate is the amount by which the price would be affected. The propaganda has been unfair in the extreme, with no rule of reason and no basis in truth or fact. Advantage has been taken by the manufacturers and through their organizations to line up the retail dealers all over the land to send form letters of protest to Senators. That is the kind of opposition the duty on hides has had to contend with. When we had a duty on hides under the Dingley law shoes were much cheaper than they are now. If the duty causes the high prices why did it not affect prices at that time?

Mr. President, while there is probably no monopoly in the form of a single ownership, yet, in my opinion, there is a monopoly on the machines which are used in the manufacture of shoes, and that monopoly is so manipulated as virtually to constitute a monopoly in the manufacture of shoes all over the country. We bought shoes cheaper when they were made by hand than we can buy them now with all the modern machinery.

Now, there is another angle to this matter which ought to be of great concern to the Nation as a whole, and that is that we should be in such position as to rely upon having an adequate supply of beef and meat in the country. I read from page 4466 of the tariff hearings a statement by Mr. Zimmerman, of Somerset, Pa. Among other things, Mr. Zimmerman said:

Another comparison may be effective: Twenty years ago we had 50,585,777 beef cattle with a population of about 76,000,000; at present we have 35,424,458 with a population of about 105,000,000, which is increasing in the same ratio as beef production is diminishing. While population has increased 40 per cent beef production has decreased 30 per cent. Had the beef-cattle supply of the country kept pace with population increase we would now have 70,000,000 instead of 35,000,000 head.

In other words, in order to have a normal supply of cattle at this time we ought to have double the number which we now have in the country. Unless encouragement is given which will permit the grower to continue the industry, to continue to raise cattle, the supply is bound to diminish.

Mr. President, we adopted a duty of 2 cents per pound on live cattle. What an inconsistency it is to say that if we bring in a hide upon the cow or steer we pay 2 cents, but if we bring the hide in separately it comes in free. This policy seems to me to be inconsistent. Hides are the finished product of the farmer just as much as is any other manufactured product the finished product of the manufacturer.

To my mind the proposed duty is reasonable; it is just, it is modest, and it is desired by the farmer. I do not agree with the statement made by the Senator from Wisconsin [Mr. LENROOT] that all the farmers of the country are in favor of free hides. My observation would not justify such a conclusion; and I know that is not the case in my State. In my opinion the duty is necessary; it is an element of protection to the benefit of which the farmer is entitled. The hide is just as much a part of the actual value of a live steer as is the beef; and it is just as much entitled to a duty as is any article of leather which is produced by the manufacturer of saddlery, of harness, or of suit cases, or of gloves. If the producer of the so-called raw material is not entitled to the benefits of a protective duty in proportion to the difference between his cost of production and the cost of the production of the imported article, then certainly the manufacturer can not be entitled to any greater privilege. If it is fair and just to give a protective duty to the manufacturer, it is fair to give that same duty, in proportion to his requirements, based upon the same principle, to the farmer.

I say, Mr. President, if we are going to impose a tariff duty for the benefit of the manufacturer of leather goods, of whatever kind or character they may be, we should give a proportionate duty to the producer of the basic material from which those manufactures are derived. If we are not going to protect the producer, then we ought to be consistent in principle. If we are going to have free hides, let us have free valises; let us have free harness; and let us have free leather goods of every kind and character.

Mr. STANFIELD. Mr. President, I do not wish to take up the time of the Senate in making a speech on the pending subject. The Senator from New Mexico has covered it in a very comprehensive way from my viewpoint; but I desire to say that I can not understand how any Senator here who is a consistent protectionist can justify himself in voting for protection for one industry and refuse to give it to another industry. I maintain that this duty if not for the benefit of the American farmer is at least a protection for the cattle producers; and I wish to say to Senators here that the tariff difference on the value of the hide will at times represent the difference between a profit and a loss in the cattle industry. For the last two or three years the live-stock producer has been losing money; cattle production on the ranges has been at a loss.

The Senator from Ohio [Mr. POMERENE] stated that this tariff would be for the benefit of the packer and would not be passed on to the cattle producer. It is just as fair to presume that a difference in the value of the carcass of the meat is not reflected to the cattle producer; and we know that that is not the case. In order to show the inconsistency of his statement, he maintains that this duty would be detrimental to the owners of hides in South America or in some other foreign countries. As I stated at the time, it is well known that the American packers—the small group of packers, the minority group of packers—are in control of the slaughtering of live stock in South America. Therefore, if it would be detrimental to their interests in South America how is it going to be of concern to them that there shall be a duty on hides in order that they might make a profit on perhaps 40 per cent of the hides which they control in America? It is not reasonable.

I do not believe that any Senator who believes in protection, if he should vote against this proposed duty, could square his act with the policy that he represents. I am not surprised at the attitude of certain Senators here who are opposed to this duty, because they have shown a number of times—I refer to Republican Senators—that they are not consistent protectionists; that they are apparently in favor of protection for products that directly concern the locality in which they are interested or in which their constituencies are directly interested.

The propaganda and the contention to the effect that the imposition of the duty will affect the consumer of shoes is not reasonable. We all know that, so far as the retailer of shoes is concerned, the difference of 12, 14, or 15 cents on a pair of shoes is not material to him; nor does it affect the consumer. The retailer can increase or decrease to this extent the price without any material effect to his business. We know that is true. Of course, in the aggregate Senators may show that the figures are large, but that same method of illustration may be applied to protection on every article on which we have placed a protective duty.

To Senators on the other side of the Chamber who believe in a tariff for revenue only I wish to say that this is a duty for which they may consistently vote, for it is a revenue tariff. It will yield a revenue. Hides will be imported here, for the proposed duty is not prohibitive. It may be placed on a basis where it is purely a revenue proposition.

I therefore sincerely trust that every Senator here who believes in a protective tariff, who believes that an industry which needs protection is entitled to protection, may see his way clear to vote for this small duty of 2 cents a pound on green hides.

Mr. GOODING. Mr. President, I am quite sure that at this time it is proper for me to make my position on the tariff question a little clearer, possibly, than I have made it in the past. I have always believed in the great principle of protection, but I never occupied the position that I do to-day, where in discussing the bill which is before the Senate I have taken the position that the duties could not be too high, and that many of the schedules are entirely too low. I have, however, been discussing a bill which provides for the levying of duties on the basis of foreign valuation. If this bill had provided for the American valuation, some of the duties might have been too high to suit me, for I have never yet found myself in an unreasonable position in life. After studying the conditions prevailing in the world as a result of the great World War and realizing that, through the depreciation of foreign currency, labor in some countries is working for almost nothing at all as compared with the wage paid to labor in this country as measured by the gold standard, I do not know how we can properly protect labor in America when we permit imports to come into this country based on the depreciated currency of many of the countries of the Old World.

The senior Senator from Utah [Mr. SMOOT] placed in the Record a few days ago a most remarkable document, setting forth a signed contract between the proprietors of textile mills in Germany and their employees, according to which, using the price paid in American mills as a basis and figuring that price at 100 per cent, labor in the textile districts of Germany would receive 1,000 per cent below what we pay here in America. I have placed in the Record on different occasions the prices paid for labor in Germany in the principal trades and industries, and all the way through the average is from ten to fifteen times less than we pay labor in this country.

Germany in order to protect her own industry against her own depreciated currency has found it necessary to increase her protective tariff rate 65 times over pre-war duties; Austria in order to protect herself and her industries against the depreciated value of the krone has been forced to increase her protective duties 200 times; and France has protected her industries by a system of coefficients or multipliers, so that in some cases the duty in France has been increased 10 times as against the depreciated currencies of other countries. We, however, refuse to take that situation into consideration at all.

Tell me, if you please, Mr. President, with an average duty on manufactures in this bill of only 35 per cent and with labor in some foreign countries receiving a thousand per cent less than the wages paid similar labor in America, what protection does this bill provide to the manufacturers of this country, when we consider the difference in the cost of production in Germany or any other country with depreciated currency and cost of production here?

I hope that I am needlessly alarmed over the industrial conditions which exist in America; I hope that those who have given service here in the Senate for so many years are right and that I am entirely wrong, but I do not see how it is going to be possible to start any industry in America at the present time, with a protective duty based on foreign currencies that are not worth in some cases the paper on which they are printed. It seems to me, Mr. President, if I can see the situation clearly, that we are facing a new world, with entirely new conditions.

The greatest question that confronts any country at any time, whether it is a new country or an old country, is that of finding employment for its own people. One-half of all the German people before the war were employed in preparing for the greatest struggle that humanity has ever known. England was build-

ing a great navy. France was building a navy and developing an army. Our own country was building a great Navy. Japan also was in a mad race, trying to keep pace with this country and the rest of the world in building her navy and extending her army. Now the world is on a peace basis. England is scrapping some of her great weapons of destruction. We are scrapping our Navy and Japan likewise is reducing her navy, and we have reduced our Army in this country in the last year something like 75,000. As I see it, the great question before the American people is to find employment for our own people.

That condition confronts every country on earth to-day. Besides the world being on a peace basis, new inventions are being discovered that are making inroads on labor. Every industry in America is overdeveloped. There is not an exception to that rule in the great industries, at least. I placed in the Record only a few days ago a report from the Department of Labor which showed that in the coal mines alone from 250,000 to 300,000 men were employed that were not needed at all; that the steel industry, the boot and shoe industry, and, in fact, every other industry is overdeveloped, and that not over half the men employed in those industries are needed, if they are to be given full-time employment. Study as I pleased, I could not find a single great industry in America but that is overdeveloped, and in some cases can supply the needs of the world. I do not believe it is possible to find employment for our own people except through a high protective duty, following along the lines other countries have followed.

If all the ports of the Old World were still wide open to the American manufacturer and the American people, I would not take the position that I do to-day. I want to say to the Senator from Ohio that some of the South American countries have an embargo against shoes—Chile especially. In others the duties are so high that they practically act as an embargo. Germany has a license system, an embargo on all articles that her people can manufacture for their own use. That country is closed to the industries of this country, or at least to our manufacturers. France has the coefficient system of multipliers, so that she has practically an embargo on many of the manufactured articles. Sweden has increased her duties five times over pre-war levels. Spain has materially increased her duties, practically placing an embargo, the same as other countries, on those articles that her people can manufacture for themselves.

Poland has a complete embargo on articles that can be manufactured at home. Ecuador has an embargo on shoes. Belgium has increased her duties from 100 to 300 per cent. Italy has an embargo against many of the articles manufactured in the United States or any other country on earth. Austria has increased her duties two hundred times. Switzerland has an embargo against all articles that can be manufactured at home. Canada has protected herself against the depreciated currency of foreign countries. We are practically the only country left on earth that has not taken some action toward protecting her manufacturing industries. England has a protection against Germany of 59 per cent. Twenty-six per cent of this is arranged for in the reparation act on all imports from Germany into Great Britain, and with 33½ per cent for what England calls her key industries she has a protection of 59 per cent, which is nearly twice the average duty that we give manufacturers here in America.

There is one thought that controls me on the tariff question. It is not a question of protection to the farmer. It is not a question of protection to the manufacturer or to any other industry. It is the one thought of the greatest possible development of all of our industries here in America. With 3,500,000 men out of employment tell me how it is possible, unless through a protective tariff, for us to start the wheels of industry in America?

It has been shown, through exhibits that were shown here in the Senate, that from 2,000 to 3,000 per cent is charged by our great department stores as a profit on imported articles over the price that is paid in foreign countries. Will a 35 or a 50 or a 60 per cent duty on foreign valuation protect the American manufacturer? When Senators here discuss a question and say that there are no imports of a certain manufactured article I want to tell you that the industry that is manufacturing that particular article here is running at full speed. I know that American labor is employed in that particular industry manufacturing for the needs of America. That is why I stand in the position that I do to-day.

In my judgment, as I have said before, as far as protection is concerned to many of our great industries this bill, with its foreign valuation, will not be worth the paper that it is written on. I hope I am all wrong; God knows that I am sincere in the position I take; but I believe that unless something is done in some way or other to start the wheels of industry in

this country and give the labor of this country an opportunity to work we are going into the winter with 8,000,000 or 8,000,000 men unemployed.

Mr. Hearst said, in an editorial:

Better have a tariff with graft and everything that goes with it than to have millions of unemployed in the country. Better pay \$25 or \$100 for protection to give the laboring man employment than to throw our ports open to foreign countries, and give foreigners employment and an opportunity to work for the American people.

Mr. President, again I want to say that with the world on a peace basis there is not work in the world to-day for all the peoples to do. It is just going to be a question of what country is going to find employment for its own people. These Old World countries that have had serious labor conditions to meet for many, many years are protecting their laborers by practically putting an embargo on those things that they can manufacture for themselves.

Again, Mr. President, let me say that we are no longer a new country. Nowhere in the great West is there a single homestead left for the homesteader where it is safe for him to take his family and try to make a living, and there is no opportunity to relieve the congested conditions of the great cities by people going out upon the farms. This talk about "back to the farm" is filled with irony and sarcasm. The farmers of this country for the last two years have lost billions of dollars in the prices they have been forced to accept for their farm products. There is no chance for a movement of back to the farm. In fact, in 1920 there were a million men, women, and children who left the farms because they could not make a living. So unless we do something to create employment in America, tell me what the winter is going to bring forth! I am not able to tell you. It looks dark to me, and I hope that I am entirely wrong.

I send to the desk a letter that I am going to ask to have read. Mr. Thomas G. Clarke, the president of the National Print Cutters' Association of America, brought into my office some time ago a print roller for printing wall paper. He told me one of the saddest stories that I have listened to in many a long day. I asked him to write me a letter, telling me the story of his industry.

The PRESIDENT pro tempore. If there be no objection, the Secretary will read the letter.

The Assistant Secretary read as follows:

EXECUTIVE COUNCIL
NATIONAL PRINT CUTTERS' ASSOCIATION OF AMERICA,
Philadelphia, May 17, 1922.

Hon. FRANK R. GOODING,
United States Senate, Washington, D. C.

DEAR SIR: In accordance with my promise to you, I am herewith sending you a statement of facts as they relate to print cutting and proposed new tariff.

Print cutting for wall paper is rated as one of the highest skilled trades in the United States, being tedious, exacting, and all handwork, but as this work can be imported, it has never been paid in proportion to the skill required.

Five years of apprenticeship must be served, and few men are finished workmen in that time.

We had for a number of years an agreement with the wall-paper printers whereby they would use only union-made prints, but being hard pressed by the manufacturers of wall paper to get a satisfactory contract on September last, they agreed to eliminate the union-made print clause in their contract, which placed us at the mercy of foreign labor.

The wall-paper manufacturers' committee before the Ways and Means Committee pleaded for an adequate tariff on wall paper, as without it they could not continue in business and compete with the foreign wall paper, and feelingly referred to the American workman the trade employed who had to have wages in proportion to American standard of living. Notwithstanding this plea, hundreds of print rollers have been contracted for and imported to this country for the new-season line.

American cutters receive 80 cents per hour, or \$38.40 per week, and in Germany, at the present rate of exchange, the weekly wage is less than \$2.50. You can readily see that the proposed tariff of 45 per cent ad valorem, on page 37, paragraph 392, is insufficient and will not help us at all. We should have at least 75 to 100 per cent ad valorem. American valuation, to save us from annihilation, as 45 per cent of our members are over 50 years of age and can hardly at this late day earn enough at some other business even for a bare living.

The wages of print cutters, averaging on the output of wall paper of the entire trade, amounts to approximately one-tenth of a cent on a roll of wall paper, so you can see that the consumer will get no benefit from cheap German print cutting, but the manufacturers will have greater profits to divide.

The improved patterns are having the words "made in the U. S. A." placed on it so that it will print on the margin of the paper. We have refused to fashion the letters in brass, as we consider this a misrepresentation, but the manufacturers are having castings made for this purpose.

When war was declared with Germany all print cutters who were eligible went into the service. Those who were too old gave their sons. After our contract expired with the manufacturers the entire trade, with exception of those too old and feeble, wholeheartedly used their skill in Government work, where men who really could use tools were needed as much as the young men on the battle field. Every dollar we could spare we invested in Liberty bonds.

I do not mention these facts with a desire to boast of the virtues of the print cutters. On the contrary, it was our great privilege to do everything in our power for the honor of our country, and should the

occasion again arise we would just as gladly do the same for this "our country."

The war is over and imperialism has been defeated, but as far as we are concerned, unless we have an adequate tariff, Germany will have won the war, for we will be enslaved and pauperized.

Our case is absolutely a plea for protection to American workmen. We have the manufacturers with one hand reaching out for the protection they must have and with the other trying to strangle the print cutters by sending their work to Germany.

The only people who will profit will be the German print cutter and his ally, the American manufacturer. We only ask that we be given the right to earn a decent living for those depending on us. I am,

Sincerely yours,

THOMAS G. CLARK,
National President.

Mr. GOODING. That is just the story of what is going to happen to a great many of our industries. This is not a large industry. It employs only about 500 men, as I understand it, but it is highly skilled work, and unless it is properly protected it is going to pass out of existence and be lost entirely to this country. What is true of this trade must of necessity be true of others. American labor can not live on the wages they pay in Germany. So it is this case and many others, as I have been studying the great tariff question at this time, which have led me to believe that the pending bill, with its foreign valuation, as far as protection to American labor is concerned, is absolutely worthless.

I am not going to take up a great deal of time, because nothing I am going to be able to say is going to change a single vote. The die is cast, as far as the duty on hides is concerned, and I know it is late, and before we can possibly get through with this schedule it is going to be well into the night. We must finish before we can recess, because there are other important rates to be considered in this schedule besides the duty on hides.

I know of no industry in America which during my lifetime has had the struggle the cattle growers of this country have had. I especially speak for the small man, the cattle grower with 20, 50, 100, or 200 head. The cattle growers of the West in a large measure are made up of small herds. In the early history of the range we had a few great cattle growers, and we have some to-day, of course, down in Texas; but in the West generally the cattle growers are small cattlemen.

No class of citizens in America have given so much and received so little for their labor as the small cattle growers. I know a great many of them in my State who have been struggling along for more than a third of a century. It has been a fight all the time to keep the wolf from the door. Market prices would increase so that the business looked prosperous, then reverses came, and there were low prices again, and the little bands of cattle remained about the same as they were 30 years or more ago, and they had to struggle all the time for existence.

The cattlemen received fairly good prices during the war, and then came the winter of 1919, and in a great many cases in Montana and in my own State if the cattlemen had given the cattle away at the beginning of the winter they would have been in better condition financially when spring came, after they had paid the winter feed bills, where in some cases they were forced to pay as high as \$50 a ton to save their live stock. One of the hardest winters we have ever known swept over the West that year.

For the cattle grower of this country there is never a holiday; Sunday is never a rest day. Eternal vigilance must be the watchword all the time, regardless of the weather and regardless of how fierce the blizzard is. In bad weather the herds must have the closest attention.

It seemed to me when the cattlemen were satisfied with the little protection of 2 cents a pound on the green hide and 4 cents on the dried hide, equivalent to a 15 per cent ad valorem duty, and the manufacturer was given protection, that the country would accept it without question.

There has been a good deal said about the farmer not being in favor of a duty on hides. I have not found that farmer. There may be some farmers who are not. I do know of free-trade farmers. I have known men in the sheep business who voted for the Democratic Party when they knew that free trade meant absolute destruction of their industries. I presume there are farmers who would not change their politics to save a great industry. But that principle exists only among farmers. I have not found a manufacturer in America anywhere who ever took such a position as that. They all want protection; and they want high protection and, besides, they want free raw material. They want the farmer to slave for them; but if there is a manufacturer in America who is not asking and demanding protection I have not found him. It is simply because he has studied the question a little better than the farmer has, in my judgment.

Last winter the President, after discussing the needs of agriculture, believing something might be done for it, advised the Secretary of Agriculture to call a national meeting, and the national agricultural conference was held here February 23-27, 1922, and beyond a doubt those who were invited were representatives of agriculture, as far as the Secretary of Agriculture could accomplish that result, for no one will deny that the Secretary of Agriculture is a friend to agriculture, doing all he can to assist it. This is a part of a resolution adopted in their proceedings:

On meat and meat products, 20 per cent ad valorem, with a minimum of 4 cents per pound; live cattle, 30 per cent ad valorem; hides, dry, 6 cents per pound; green, 3 cents per pound, with an ad valorem minimum of 20 per cent; wool used for clothing or wearing apparel purposes in whatever form, imported, 33 cents per pound of clean content; mutton, 3 cents per pound; lamb, 5 cents per pound; live sheep, \$2 per head.

If we have had a representative gathering of farmers within the last year, who had a right to speak for the great agricultural interests, it seems to me this conference, called at the suggestion of the President, was that body; and that is the last word.

I have a copy of a report from an employee of the Tariff Commission, which is in the hands of the printer at the present time. It may not be strange that this report is in the hands of the printer at this time, but I have a very good reason to believe that no friend of the farmer can remain long in the employment of the Tariff Commission if the present members of that branch of the Government know it. That is a pretty strong statement to make, but I make it advisedly.

This report relates to the production of cattle hides in America and their effect upon the shoe industry.

In the year 1914 we produced 695,748,000 pounds of cattle hides.

Calfskins, of an average of 10 pounds each, were produced to the number of 46,614,000 pounds.

Of sheepskins, averaging 4 pounds each, there were produced 80,842,000 pounds.

Of horse and colt skins, of an average weight of 30 pounds to the skin, there were produced 30,000,000 pounds.

We imported in the same year 351,232,000 pounds of cattle hides, 110,134,000 pounds of calfskins, 101,065,000 pounds of sheepskins, 20,058,000 pounds of horsehides, 29,000,000 pounds of buffalo hides, 147,000,000 pounds of goatskins, and 1,000,000 pounds of kangaroo skins. I will just read the millions and put the table in the Record. Of all other hides and skins, exclusive of furs, there were imported 6,000,000 pounds.

In 1920 we produced in this country 781,000,000 pounds of cattle hides, 96,000,000 pounds of calfskins, 63,000,000 pounds of sheepskins, 30,000,000 pounds of horsehides. We imported for that year 334,000,000 pounds of cattle hides, 52,000,000 pounds of calfskins, 112,000,000 pounds of sheepskins, 21,000,000 pounds of horsehides, 20,000,000 pounds of buffalo hides, 150,000,000 pounds of goatskins, 1,000,000 pounds of kangaroo skins, and 7,000,000 pounds of other hides and skins.

So the total production of those hides and skins in this country was 972,321,000 pounds, and we imported 520,923,000 pounds. So it will be seen that our production in this country is almost double our imports.

Mr. President, much has been said about what the effect of this duty of 2 cents a pound on green hides and 4 cents a pound on dry hides is going to be. Of course, it is all speculation. I know of no better way, however, of judging the future than by the past, going back to see what the effect of the duty on hides was under the Dingley law. This is the report of a representative of the Tariff Commission who said:

Prior to 1897 cattle hides were free and leather and shoes were dutiable. By the act of 1897 cattle hides were made dutiable at 15 per cent ad valorem.

Using average yearly wholesale prices gathered by the Bureau of Labor Statistics, it appears that the price of sole leather and work shoes did not increase relatively as much as the price of cattle hides. The average yearly wholesale price for cattle hides in 1896 was \$0.0811 per pound. In 1899, two years after the enactment of the duty, the price was \$0.1235, an increase of \$0.0424. In 1896 the price of oak sole leather was \$0.2925 per pound; in 1899 it was \$0.3358, an increase of \$0.0433. In 1896 the price of men's brogan split leather work shoes was \$0.9938 per pair; in 1899 it was \$0.9375, a decrease of \$0.0563. During the entire period that the Dingley Act was in effect green hides increased \$0.0525 per pound, sole leather increased \$0.0875 per pound, and work shoes \$0.1416 per pair.

That was the effect of the Dingley bill. There is a lot of very valuable information, and it is regrettable that it has not been in the hands of every Senator. I am not going to say there was a conspiracy to keep it out of the hands of Senators, but I shall have something more to say about the Tariff Commission before we close the debate here on the tariff bill.

I ask unanimous consent that the report to which I have referred and from which I have briefly quoted may be printed in the RECORD, and with this request I shall conclude my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

THE PROPOSED DUTY ON CATTLE HIDES.

1. Domestic production and imports.
2. The relation of the price of hides to prices paid for live cattle.
3. The effect of the duty on hides under the Dingley Act on prices of sole leather and shoes.
4. Prices of hides, leather, and shoes from 1910 to 1922.
5. The United States export trade in leather and leather products, 1890-1922.
6. The estimated financial results of a duty on hides.
7. Duties on hides, leather, and shoes since 1894.

Domestic production and imports of hides and skins.

(Converted to a green basis, 1 pound of dried equals 2 pounds of green.)

1914	Domestic production (estimate).	Imports.
	Pounds.	Pounds.
Cattle hides (55-pound).....	695,748,000	351,232,000
Calfskins (10-pound).....	46,614,000	110,134,000
Sheepskins (4-pound).....	80,842,000	101,065,000
Horse, colt, ass (30-pound).....	30,000,000	20,058,000
Total.....	853,204,000	582,489,000

¹ Includes kipskins.

Buffalo hides.....	Pounds.	29,162,000
Goatskins.....	Pounds.	147,925,000
Kangaroo and wallaby skins.....	Pounds.	1,332,000
All other hides and skins (exclusive of furs).....	Pounds.	6,180,000
Total.....	Pounds.	767,088,000

1920	Domestic production (estimated).	Imports.
	Pounds.	Pounds.
Cattle hides (55-pound).....	781,702,000	334,475,000
Calfskins.....	96,628,000	52,035,000
Sheepskins (4-pound).....	63,991,000	112,523,000
Horse, colt, ass (30-pound).....	30,000,000	21,890,000
Total.....	972,321,000	520,923,000

Buffalo hides.....	Pounds.	20,727,000
Goatskins.....	Pounds.	150,074,000
Kangaroo and wallaby skins.....	Pounds.	1,389,000
All other hides and skins (exclusive of furs).....	Pounds.	7,000,000
Total.....	Pounds.	700,113,000

THE RELATION OF THE PRICE OF HIDES AND DRESSED BEEF TO LIVE CATTLE.

The relative values of dressed meat, hides, and other by-products may vary considerably from time to time, according to the changing supply of and demand for the respective products. However, in order to give a rough indication of a normal situation it may be said that the meat packer obtains about 79 per cent of his total returns of the beef-packing end of his business from the dressed-meat carcass, 11 per cent from the hide, and about 10 per cent from a large number of minor products, such as tallow, oleo oil, stearin, casings, and the like.

A study made by the Tariff Commission of average yearly wholesale prices for a period of five years (1912-1916) covering green, salted, packers' heavy, native steer hides, good to choice steers, and good native steer carcass beef, all in the Chicago market, brought out the fact that while the price of dressed carcass beef in the Chicago market increased but 3.8 per cent the price paid for live cattle increased 14.3 per cent. (Table 1.) This was made possible only through the rise in price of hides, which was 48.9 per cent, and the increase in price of tallow, oleo oil, stearin, and other by-products.

A similar study for a period of nine years (1908-1916) brought out the same relationship. In this instance the price of dressed beef increased 31.4 per cent, the price of live cattle 60 per cent, and the price of hides 95 per cent. For the 14-year period (1906-1919) the price of dressed beef increased 122 per cent, the price of live cattle 192 per cent, and the price of hides 193 per cent.

In the long run, therefore, higher hide prices, like higher beef prices—only to a lesser extent—means that higher prices can be paid for live cattle. Though temporary or short-time variations, due to local or other factors, may cause the price of hides to move one way and the price of live cattle in the opposite direction, nevertheless over a long period the two price curves show a fairly close relation. (A depression in the hide market such as has occurred during the past year is reflected in a reduction in the price of live cattle or in increase in the selling price of the dressed meat, or sometimes both. Conversely, an increase in the price of hides means a lowering of the selling price of dressed beef or an increase in the price paid the producer for the live animal, or both.) On the basis of yield a 1,000-pound steer of fair average quality will yield about 550 pounds of dressed carcass and 60 pounds of green hide. An increase of 1 cent per pound in the price of hides is equal to a credit of about 12 cents per 100 pounds on the dressed beef or 6 cents per 100 pounds on the live weight. (C. V. Whalin, United States Bureau of Markets.)

Briefly, there appears reason to believe that on the whole competitive buying in the live-stock markets has forced the packers to pay the true market value for live cattle purchased and for the hides they carry. Competition among live-cattle buyers and hide sellers thus quickly tends to correct any apparent discrepancies which may occasionally exist between the values of hides and live cattle. It therefore seems probable that in the long run packers would be compelled by competition to add a duty to the price paid for live animals, getting this addition back when hides or leather are sold. It thus would appear that both packer tanners and independent tanners would be affected by a duty and that virtually the only effect on independent tanners would be the larger credits needed to carry stocks of higher-priced hides.

TABLE 1.—Average yearly prices of hides, live cattle, carcass beef, 1908-1921.

[Chicago market.]

Year.	Hides—Green, salted, packers' heavy, native steers.		Live cattle—Steers, good to choice.		Carcass beef—Good native steers.	
	Per pound.	Relative to 1913.	Per pound.	Relative to 1913.	Per pound.	Relative to 1913.
1908.....	\$0.134	72.6	\$0.060	70.5	\$0.105	81.3
1909.....	.165	89.6	.065	75.9	.110	84.6
1910.....	.155	84.1	.070	82.5	.115	89.1
1911.....	.148	80.3	.067	79.1	.112	86.6
1912.....	.176	95.7	.084	98.8	.133	102.6
1913.....	.184	100.0	.085	100.0	.130	100.0
1914.....	.196	106.7	.090	106.2	.136	105.3
1915.....	.212	131.6	.087	102.3	.129	99.5
1916.....	.262	142.4	.096	112.5	.138	106.7
1917.....	.327	178.0	.128	150.6	.167	127.2
1918.....	.301	163.8	.164	193.1	.221	170.9
1919.....	.393	213.8	.175	205.7	.231	180.2
1920.....	.312	169.6	.148	174.1	.230	176.9
1921.....	.139	75.5	.087	102.3	.163	125.4

THE EFFECT ON THE PRICES OF LEATHER AND SHOES AS A RESULT OF A DUTY OF 15 PER CENT ON CATTLE HIDES UNDER THE ACT OF 1897.

Prior to 1897 cattle hides were free and leather and shoes were dutiable. By the act of 1897 cattle hides were made dutiable at 15 per cent ad valorem. (See Table 6 for complete statement of duties.) Using average yearly wholesale prices gathered by the Bureau of Labor Statistics and given in Table 2, it appears that the price of sole leather and work shoes did not increase relatively as much as the price of cattle hides. The average yearly wholesale price for cattle hides in 1896 was \$0.0811 per pound. In 1899, two years after the enactment of the duty, the price was \$0.1235, an increase of \$0.0424. In 1896 the price of oak sole leather was \$0.2925 per pound; in 1899 it was \$0.3358, an increase of \$0.0433. In 1896 the price of men's brogan split-leather work shoes was \$0.9938 per pair; in 1899 it was \$0.9375, a decrease of \$0.0563.

During the entire period that the Dingley Act was in effect green hides increased \$0.0525 per pound, sole leather increased \$0.0875 per pound, and work shoes \$0.1416 per pair.

It requires approximately 1½ pounds of green hides to make 1 pound of oak sole leather. Then, multiplying the increase in hide price of \$0.0525 per pound by 1½, the result is \$0.07875. The actual increase in sole-leather price was \$0.0875 per pound, or \$0.00875 more than accounted for by the increase in price of hides. But there was also a duty of 20 per cent ad valorem on sole leather. If the average value of \$0.30 per pound were multiplied by 20 per cent, the increased price due to the duty would be \$0.06 per pound if the duty were wholly effective. It is unlikely that it was fully effective.

Computations.

Price of cattle hides, 1908.....	\$0.1336
Price of cattle hides, 1896.....	.0811

Increase in hides..... .0525

Price of sole leather, 1908.....	.3800
Price of sole leather, 1896.....	.2925

Increase in sole leather..... .0875

One and one-half pounds of hides equals 1 pound of sole leather. Then, 1½ pounds multiplied by \$0.0525 equals \$0.07875.

Difference between \$0.0875 and \$0.07875 equals \$0.00875. Duty on sole leather, average value of \$0.30, at 20 per cent equals \$0.06, or the possible justifiable difference between the increased price of leather and the increased price of hides, yet this difference was only \$0.00875.

Then, again, with men's work shoes, it requires 6 pounds of green hides to make a pair, about 3 pounds of which are for sole leather and the balance for upper leather. Upper leather increased in price as well as sole leather, but as statistics are not available for upper leather only sole leather will be included. This, of course, presents only part of the case, but is sufficient to show the trend.

Multiplying the increase in hide prices of \$0.0525 by 3 pounds of sole leather the increase in shoes would have been \$0.1575. Yet the increase was \$0.1416, or \$0.0159 less.

Computation.

Price of cattle hides, 1908.....	\$0.1336
Price of cattle hides, 1896.....	.0811

Increase in hides..... .0525

Price of shoes, 1908.....	1.1334
Price of shoes, 1896.....	.9938

Increase in shoes..... .1416

Three pounds of sole leather multiplied by \$0.0525 equals \$0.1575. Difference between \$0.1575 and \$0.1416 equals \$0.0159.

If the 25 per cent duty on shoes were effective, a difference of about \$0.23 more than is shown here would have been justifiable, yet the shoes did not even increase the full amount of the hide increase by \$0.0159.

During this 13-year period it would appear that (1) there was little if any pyramiding of the prices of leather and shoes as a result of the duty on cattle hides, and (2) other factors are instrumental in determining the price of leather and shoes than the hide cost.

Using average prices for the period 1890-1899 as equaling 100, the relative changes in prices of the three products are as follows:

	1896	1908
	Per cent.	Per cent.
Cattle hides.....	86.6	142
Leather.....	87	113
Shoes.....	100.4	114.8

TABLE 2.—Average yearly wholesale prices of hides, sole leather, and shoes, 1890-1910.

Year.	Green salted packers' heavy native steers' hides (Chicago).		Oak sole leather (Boston).		Men's work shoes (Boston). ¹	
		Per cent.		Per cent.		Per cent.
Average, 1890-1899..	\$0.0937	100	\$0.3363	100	\$0.9894	100
1890.....	.0933	99.6	.3771	112.1	1.0500	106.1
1891.....	.0951	101.5	.3679	109.4	1.0500	106.1
1892.....	.0870	92.8	.3421	101.7	1.0375	104.9
1893.....	.0749	79.9	.3483	103.6	1.0125	102.3
1894.....	.0641	68.4	.3279	97.9	.9688	97.9
1895.....	.1028	109.7	.3421	101.7	.9813	99.2
1896.....	.0811	86.6	.2925	87.0	.9938	100.4
1897.....	.0996	106.3	.3079	91.6	.9500	96.0
1898.....	.1151	122.8	.3213	95.5	.9125	92.2
1899.....	.1235	131.8	.3358	99.9	.9375	94.8
1900.....	.1194	127.4	.3608	107.3	.9375	94.8
1901.....	.1237	132.0	.3525	104.8	.9438	95.4
1902.....	.1338	142.8	.3800	113.0	.9313	94.1
1903.....	.1169	124.8	.3742	111.3	.9250	93.5
1904.....	.1165	124.4	.3450	102.6	.9250	93.5
1905.....	.1430	152.6	.3663	108.9	1.0042	101.5
1906.....	.1543	164.7	.3796	112.9	1.2542	126.8
1907.....	.1455	155.3	.3821	113.6	1.2729	128.7
1908.....	.1336	142.6	.3800	113.0	1.1354	114.8
1909.....	.1647	176.8	.4125	122.7	1.2000	121.3
1910.....	.1546	165.0	.4146	123.3	1.375	115.0

¹ Brogans of split leather.

PRICES OF HIDES, LEATHER, AND SHOES FROM 1910 TO 1922.

Prices given in Table 3 are in a period of free hides. They are largely the story of prices during the pre-war and war period. In the main hide prices increased faster at the beginning of the war and declined greater and quicker in 1921. While hides are now beginning to rise slightly, leather and shoes are still slightly declining.

TABLE 3.—Average yearly wholesale prices of hides, sole leather, and shoes, 1910-1922.

	Green salted packers' (Chicago).		Oak sole leather, (Boston).		Men's work shoes (Boston). ¹	
	Heavy native.	Steer hides.	Heavy native.	Steer hides.	Heavy native.	Steer hides.
		Per cent.		Per cent.		Per cent.
1911.....	\$0.148	80.3	\$0.388	88.5	\$1.853	76.7
1912.....	.176	95.7	.415	92.6	1.988	88.9
1913.....	.184	100.0	.449	100.0	1.112	100.0
1914.....	.196	106.7	.471	105.0	1.152	103.5
1915.....	.242	131.6	.504	112.4	1.265	113.7
1916.....	.262	142.4	.640	142.5	1.322	118.8
1917.....	.327	178.0	.831	185.2	1.504	135.2
1918.....	.301	163.8	.796	177.4	1.509	135.6
1919.....	.393	213.8	.913	203.5	1.967	176.8
1920.....	.312	169.8	.856	190.7	2.598	192.9
1921.....	.139	75.0	.548	122.1	1.951	144.8
1922.....	.149	81.0	.615	114.7	1.645	122.1

	Computed to correspond with previous shoe given of new brand.	Actual figures.	Relative price.
			Per cent.
1919.....	\$2.381	\$1.967	176.8
1920.....	2.145	2.598	192.9
1921.....	1.610	1.951	144.8
1922 (5 months).....	1.358	1.645	122.1

¹ Split seamless Creedmoor, one-half double sole.

² Computed for 1913 figure, with the percentage figure given.

³ Average for 5 months January-May, 1922.

⁴ Shoe changed to tanned grain blucher.

UNITED STATES EXPORT TRADE IN LEATHER AND LEATHER PRODUCTS, 1890-1922.

Since 1890 the value of our export trade in leather and leather products has steadily increased. In the period of the duty on hides (1897-1907) there is no indication that our export trade was affected. Average annual exports for the five-year period 1895-1899 were valued at \$19,920,000. About one-half of this period hides were free. In the next five-year period (1900-1904) average value of exports increased to \$30,122,000. In the five-year period 1905-1909 average annual exports

were \$41,555,000. In these two last periods hides were dutiable. It appears that if the leather industries were handicapped they were successful in overcoming the difficulties. (See Table 4.)

The table below summarizes the export trade of all leather and leather products by five-year periods and gives the percentage increase over each previous period.

5-year periods.	5-year average value of annual exports.	Per cent increase over preceding.
1890-1894.....	\$12,800,000	.....
1895-1899.....	19,920,000	55.6
1900-1904.....	30,122,000	51.2
1905-1909.....	41,555,000	37.9
1910-1914.....	57,707,000	36.5
1915-1919.....	140,997,000	144.4
1920-21 ¹	195,004,000	38.6

¹ 2-year period.

TABLE 4.—Value of leather and leather products exported from the United States, 1890-1922 (all fiscal years).

1890.....	\$12,439,000
1891.....	13,279,000
1892.....	12,085,000
1893.....	11,912,000
1894.....	14,283,000
Five-year average, \$12,800,000.	
1895.....	15,614,000
1896.....	20,243,000
1897.....	19,161,000
1898.....	21,115,000
1899.....	23,468,000
Five-year average, \$19,920,000.	
1900.....	27,293,000
1901.....	27,924,000
1902.....	29,799,000
1903.....	31,616,000
1904.....	33,980,000
Five-year average, \$30,122,000.	
1905.....	37,937,000
1906.....	40,645,000
1907.....	45,477,000
1908.....	40,739,000
1909.....	42,976,000
Five-year average, \$41,555,000.	
1910.....	52,647,000
1911.....	53,673,000
1912.....	60,757,000
1913.....	63,893,000
1914.....	57,566,000
Five-year average, \$57,707,000.	
1915.....	120,727,000
1916.....	146,704,000
1917.....	153,710,000
1918.....	100,881,000
1919.....	182,064,000
Five-year average, \$140,997,000.	
1920.....	291,801,000
1921.....	98,208,000
Two-year average, \$195,004,000.	
July, 1921, to April, 1922 (10 months), \$47,340,000.	

TABLE 5.—Estimated financial results of a duty on hides.

	Pounds.
Domestic production of cattle hides.....	700,000,000
Cattle hides imported for consumption.....	300,000,000

Total (about 9½ pounds per capita)..... 1,000,000,000

On the basis of duty of 2 cents per pound for green hides and 4 cents per pound for dried—

(a) The returns to the producers would be, assuming the increase of the full amount of the duty was reflected in increased prices paid for live cattle and hides, \$14,000,000.

(b) The cost to the farmer and his family (30,000,000 people), at 12 pounds per capita (30 per cent higher than average), \$7,200,000. While the price might be increased the full amount of the duty, the price of any commodity depends upon the demand and supply of that commodity. It is conceivable that a slackened demand might decrease the above figure, or in times of great industrial prosperity increase it.

(c) The cost to all consumers of the country, at 9½ pounds per capita, \$19,000,000.

(d) The revenue to be derived by the Government would be on 300,000,000 pounds, \$6,000,000. No allowance is made for disbursements due to the drawback provision.

TABLE 6.—Duties on hides, leather, and shoes since 1891.

Act of—	Cattle hides.	Leather.		Shoes.
		Sole.	Upper (dressed).	
1894.....	Free.....	10 per cent....	20 per cent....	20 per cent.
1897.....	15 per cent....	20 per cent....	20 per cent....	25 per cent.
1909.....	Free.....	5 per cent....	20 per cent....	15 per cent.
1913.....	Free.....	Free.....	Free.....	Free.
1922 (proposed)...	Green, 2 cents pound; dried, 4 cents pound.	3 cents pound, 15 per cent.	2½ cents square foot, 15 per cent.	(1)

¹ Of cattle hides only, 12 cents pair plus 5 per cent. All other, 6 cents pair.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

Mr. CURTIS. Let it be reported.

The ASSISTANT SECRETARY. On page 192, after line 2, the committee proposes to insert a new paragraph, as follows:

PAR. 1427a. Hides of cattle of the bovine species, raw or uncured, or green or pickled, 2 cents per pound; dried, 4 cents per pound.

Mr. WALSH of Massachusetts. I ask for the yeas and nays. The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. LODGE (when Mr. FERNALD's name was called). The Senator from Maine [Mr. FERNALD] is absent on account of illness. If present, he would vote "nay." He has a general pair with the Senator from New Mexico [Mr. JONES].

Mr. HALE (when his name was called). I have a general pair with the senior Senator from Tennessee [Mr. SHIELDS]. I am informed that if present that Senator would vote as I shall vote. Therefore I am at liberty to vote. I vote "nay."

Mr. UNDERWOOD (when Mr. HARRISON's name was called). The junior Senator from Mississippi [Mr. HARRISON] is necessarily absent. He is paired with the junior Senator from West Virginia [Mr. ELKINS]. If present and permitted to vote, the Senator from Mississippi would vote "nay."

Mr. JONES of New Mexico (when his name was called). I have a general pair with the Senator from Maine [Mr. FERNALD]. I am advised that on this question he would vote "nay." I transfer my pair with that Senator to the Senator from Nevada [Mr. PITTMAN]. If the Senator from Nevada were present, he would vote "yea." I vote "yea."

Mr. NEW (when his name was called). I have a general pair with the junior Senator from Tennessee [Mr. McKELLAR]. On this question I have been assured that he would vote as I shall vote. I therefore feel at liberty to vote. I vote "nay."

Mr. SIMMONS (when his name was called). I transfer my general pair with the junior Senator from Minnesota [Mr. KELLOGG] to the senior Senator from Texas [Mr. CULBERSON] and vote "nay."

Mr. SUTHERLAND (when his name was called). I have a general pair with the senior Senator from Arkansas [Mr. ROLINSON], who is absent. I understand if he were present he would vote as I expect to vote on this question, and I therefore feel at liberty to vote. I vote "nay."

Mr. WATSON of Indiana (when his name was called). I have a general pair with the senior Senator from Mississippi [Mr. WILLIAMS]. I am unable to secure a transfer and therefore withhold my vote. If I were permitted to vote, I should vote "yea."

The roll call was concluded.

Mr. McCUMBER. I have a general pair with the junior Senator from Utah [Mr. KING]. I am unable to secure a transfer of that pair and therefore withhold my vote. Were I permitted to vote, I should vote "yea."

Mr. EDGE. I have a general pair with the senior Senator from Oklahoma [Mr. OWEN]. I am informed that if he were present he would vote as I propose to vote, and I am therefore at liberty to vote. I vote "nay."

Mr. JONES of Washington (after having voted in the affirmative). The senior Senator from Virginia [Mr. SWANSON] is necessarily absent. I am paired with that Senator for the afternoon. Being unable to secure a transfer, I withdraw my vote.

Mr. MCKINLEY (after having voted in the affirmative). I have a general pair with the junior Senator from Arkansas [Mr. CARAWAY], who is absent. I am unable to obtain a transfer of that pair, and therefore withdraw my vote.

Mr. JONES of New Mexico. I wish to announce that the Senator from Nevada [Mr. PITTMAN], to whom I transferred my pair, is absent on account of illness in his family.

Mr. MYERS (after having voted in the negative). I transfer my pair with the Senator from Connecticut [Mr. McLEAN] to the junior Senator from Tennessee [Mr. McKELLAR] and allow my vote to stand.

Mr. CURTIS. I wish to announce that the senior Senator from Minnesota [Mr. NELSON] is absent on account of a death in his family.

I also wish to announce the following general pairs:

The junior Senator from West Virginia [Mr. ELKINS] with the junior Senator from Mississippi [Mr. HARRISON]; and

The senior Senator from California [Mr. JOHNSON] with the Senator from Georgia [Mr. WATSON].

Mr. LODGE. I wish to announce that the senior Senator from Minnesota [Mr. NELSON], whom I am informed would vote "yea," is paired with the junior Senator from Maryland [Mr. WELLER], who would vote "nay"; and that the Senator from

Washington [Mr. POINDEXTER], who would vote "yea," is paired with the Senator from Vermont [Mr. PAGE], who would vote "nay."

The result was announced—yeas 26, nays 39, as follows:

YEAS—26.

Ashurst	Fletcher	McNary	Shortridge
Broussard	Gooding	Nicholson	Smoot
Bursum	Harrell	Norbeck	Stanfield
Cameron	Jones, N. Mex.	Oddie	Sterling
Capper	Kendrick	Phipps	Warren
Curtis	Ladd	Ransdell	
Ernst	McCormick	Sheppard	

NAYS—39.

Ball	Gerry	New	Stanley
Borah	Glass	Newberry	Sutherland
Brandegee	Hale	Overman	Townsend
Calder	Harris	Pepper	Trammell
Colt	Heflin	Pomerene	Underwood
Cummins	Keyes	Rawson	Wadsworth
Dial	Lenroot	Reed	Walsh, Mass.
Dillingham	Lodge	Simmons	Walsh, Mont.
Edge	Moses	Smith	Willis
Frelinghuysen	Myers	Spencer	

NOT VOTING—30.

Caraway	Johnson	McLean	Shields
Culberson	Jones, Wash.	Nelson	Swanson
du Pont	Kellogg	Norris	Watson, Ga.
Elkins	King	Owen	Watson, Ind.
Fernald	La Follette	Page	Weller
France	McCumber	Pittman	Williams
Harrison	McKellar	Poinceter	
Hitchcock	McKinley	Robinson	

So the amendment of the committee was rejected.

Mr. LODGE. Mr. President, I suppose it would be now in order to move to place on the free list the articles covered by paragraph 1427a, which reads:

Hides of cattle of the bovine species, raw or uncured, or green or pickled, 2 cents per pound; dried, 4 cents per pound.

Mr. SMOOT. Not only that one amendment but about four other changes will have to be made, three of them relating to articles which go on the free list. Then, of course, we shall take up the others when the paragraphs are reached.

Mr. LODGE. The articles embraced in this clause should be placed on the free list.

Mr. SMOOT. If the Senator will allow me, I will move the amendments in their order.

Mr. LODGE. Very well; but hides will be placed on the free list?

Mr. SMOOT. They will be placed on the free list, I will say to the Senator.

The PRESIDENT pro tempore. Under the unanimous-consent agreement the Senate now proceeds to the consideration of paragraph 1431, on page 195.

Mr. SMOOT. Mr. President—

The PRESIDENT pro tempore. The Chair desires to remind the Senator from North Dakota that under the unanimous-consent agreement whatever amendment is desired to be offered to that paragraph must now be offered.

Mr. McCUMBER. I think the idea is to disagree to the committee amendment there.

The PRESIDENT pro tempore. The committee amendment will be stated.

The ASSISTANT SECRETARY. The committee proposes to strike out paragraph 1431, as printed in the House bill, as follows:

PAR. 1431. Chamols skins, pianoforte, pianoforte action, player-piano action leather, enameled upholstery leather, and glove leather, finished, in the white or in the crust, 20 per cent ad valorem.

And in lieu thereof to insert:

PAR. 1431. Band, bend, rough, and sole leather, 3 cents per pound and 5 per cent ad valorem; belting and harness leather, 4 cents per pound and 5 per cent ad valorem; calf and veal skins, tanned or tanned and dressed, 15 per cent ad valorem; patent, japanned, varnished or enameled leather, made of hides of cattle of the bovine species, 7½ cents per square foot and 15 per cent ad valorem; patent, japanned, varnished or enameled, not made of hides of cattle of the bovine species, 5 cents per square foot and 15 per cent ad valorem; chamols skins and glove leather, finished or unfinished, or in the white or in the crust, 20 per cent ad valorem; pianoforte, pianoforte-action, and player-piano-action leather, 20 per cent ad valorem; skins for Morocco, tanned but unfinished, 5 per cent ad valorem; upper leather, finished, not specially provided for, made of hides of cattle of the bovine species, 2½ cents per square foot and 15 per cent ad valorem; all other upper leather, finished, not specially provided for, 15 per cent ad valorem; leather cut into shoe uppers, vamps, soles, or other forms suitable for conversion into manufactured articles, shall pay a duty of 5 per cent ad valorem in addition to the duty imposed by this paragraph on leather of the same character as that from which they are cut; case, bag, strap, upholstery, fancy, bookbinders', and all other leather, not specially provided for, made of hides of cattle of the bovine species, 25 per cent ad valorem; not made of hides of cattle of the bovine species, 15 per cent ad valorem; leather shoe laces, finished or unfinished, 50 cents per gross pairs and 10 per cent ad valorem; boots and shoes, made wholly or in chief value of leather made of hides of cattle of the bovine species, 12 cents per pair and 5 per cent ad valorem; all other boots and shoes, made wholly or in chief value of leather, not specially provided for, 6 cents per pair.

Mr. SMOOT. I now desire to ask unanimous consent to turn to the free list and to perfect the bill as to items on the free list. Then we shall know just exactly what action has been taken by the Senate in reference to the free list proper.

Mr. UNDERWOOD. As I understand, the purpose is that hides are to be put on the free list, as are boots and shoes?

Mr. SMOOT. Boots and shoes and two or three other items.

Mr. WALSH of Massachusetts. Does the Senator from Utah intend that all of the items in paragraph 1431 shall go on the free list?

Mr. SMOOT. No; I will say to the Senator.

Mr. LODGE. We ought to act on these various items and select those which are to be placed on the free list.

Mr. SMOOT. I do not think there will be any objection in having the articles to which I refer placed on the free list, but it makes no difference. It may be done either one way or the other.

The PRESIDENT pro tempore. Under the unanimous-consent agreement nothing can be considered at this time save paragraph 1431.

Mr. SMOOT. That is true; nothing save that paragraph may be considered except by unanimous consent. Now, Mr. President, in paragraph 1431 I ask that the committee amendment may be disagreed to. If that is done it will leave the House paragraph just as it originally was, reading as follows:

PAR. 1431. Chamols skins, pianoforte, pianoforte-action, player-piano-action leather, enameled upholstery leather, and glove leathers, finished, in the white or in the crust, 20 per cent ad valorem.

Mr. WALSH of Massachusetts. I have no objection to that.

The PRESIDENT pro tempore. The Chair will assume that the amendment printed in the bill has been offered, although the Record does not show that that has been done up to this time.

Mr. LODGE. It is a committee amendment?

Mr. SMOOT. It is a committee amendment, and I ask that it be disagreed to.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

Mr. WALSH of Massachusetts. If we disagree to the committee amendment the House clause will then remain?

Mr. LODGE. Yes.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment printed in the bill proposing to substitute a new paragraph for paragraph 1431.

The amendment was rejected.

Mr. SMOOT. On page 197, paragraph 1432, line 4, before the words "per centum," I ask to substitute the numeral "50" for the numeral "60." That is the paragraph covering bags, baskets, belts, satchels, cardcases, pocketbooks, and so forth.

The PRESIDENT pro tempore. The modification of the committee amendment proposed by the Senator from Utah will be stated.

The ASSISTANT SECRETARY. On page 197, line 4, before the words "per centum," it is proposed to strike out the numeral "60" and in lieu thereof to insert the numeral "50."

Mr. WALSH of Massachusetts. I should like to ask the Senator from Utah if he offers the amendment which he has proposed as a substitute for the committee amendment?

Mr. SMOOT. I desire to modify the committee amendment by the substitute which I have stated, proposing, on page 197, line 4, before the words "per centum," to strike out the numeral "60" and to insert in lieu thereof the numeral "50."

Mr. WALSH of Massachusetts. Then, I move, on page 197, line 1, to amend the committee amendment by striking out the numeral "40" and inserting in lieu thereof the numeral "35."

The PRESIDENT pro tempore. The amendment proposed by the Senator from Massachusetts is not now in order. The Chair desires to remind the Senator from Utah that there is no provision for 60 per cent in the paragraph to which he refers. The provision of the House bill is for 30 per cent, and that is the provision upon which the Senate is now acting.

Mr. SMOOT. Mr. President, of course—

Mr. WALSH of Massachusetts. I rise to a point of order.

The PRESIDENT pro tempore. The Senator from Massachusetts will state his point of order.

Mr. WALSH of Massachusetts. I understood the Senator from Utah to offer a substitute for the amendment of the committee in line 4, on page 197.

Mr. SMOOT. That is true.

Mr. WALSH of Massachusetts. So that the committee amendment—

The PRESIDENT pro tempore. The committee amendment is not before the Senate; it has never been offered, and has not as yet been acted upon by the Senate.

Mr. WALSH of Massachusetts. We have been proceeding in this manner heretofore.

The PRESIDENT pro tempore. The Chair overrules the point of order.

Mr. WALSH of Massachusetts. The committee have been substituting amendments for the committee amendments as originally reported.

Mr. SMOOT. There are two other amendments in that paragraph.

The first amendment in paragraph 1432 is on page 196, line 23, to insert the words "not jewelry." Is there any objection to that?

Mr. WALSH of Massachusetts. None at all.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. SMOOT. Then, on page 196, at the beginning of line 24, the next committee amendment is to strike out the words "not jewelry."

The PRESIDENT pro tempore. The next committee amendment will be stated.

The next amendment of the Committee on Finance was, on page 196, at the beginning of line 24, to strike out the words "not jewelry."

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDENT pro tempore. The next committee amendment will be stated.

The ASSISTANT SECRETARY. On page 197, line 1, before the words "per cent," the Committee on Finance propose to strike out the numeral "25" and to insert the numeral "40."

Mr. WALSH of Massachusetts. Now I move to amend the committee amendment by inserting the numeral "30" instead of "40" on line 1, page 197.

Mr. SMOOT. On that I ask for the yeas and nays.

Mr. WALSH of Massachusetts. I should like to address the Senate very briefly on my amendment to the committee amendment.

Mr. McCUMBER. Of course, the question is open to discussion before a vote is taken. The committee has had no opportunity to go into the question of just what the rate should be, in view of the fact that hides have been placed on the free list. Of course, that will necessarily carry with it the leather which would properly, for the most part, go upon the free list, and, inasmuch as the 40 per cent rate was based upon the assumption that the leather would be dutiable, and the Senator from Massachusetts has moved to reduce it, as I understand, to 30 per cent—

Mr. WALSH of Massachusetts. That is my motion.

Mr. McCUMBER. I think that should be done, and, without speaking for the committee, I should vote for that reduction.

Mr. WALSH of Massachusetts. Then probably we can dispose of the amendment immediately by a viva voce vote.

Mr. McCUMBER. Certainly.

Mr. JONES of Washington. Mr. President, I understand the House bill was framed on the theory that hides would be on the free list. As I understand, the committee has not considered what the effect would be upon these rates under the amendment which we have just adopted putting hides on the free list. Why should we not go back to the House rates in view of the circumstances?

Mr. McCUMBER. Mr. President, the House rates are based upon the American valuation at the time they were imposed. In this instance the House rate would be higher than the 40 per cent rate proposed on the foreign valuation.

Mr. SMOOT. It would be 40 per cent.

Mr. McCUMBER. It would be equivalent at least to 40 per cent, and I think a little more on some articles. I think the 40 per cent should be reduced to 30 per cent.

Mr. SMOOT. I agree with the Senator from North Dakota.

Mr. WALSH of Massachusetts. Then we can dispose of the matter by a viva voce vote.

The PRESIDENT pro tempore. The question is on the amendment proposed by the Senator from Massachusetts to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. SMOOT. Mr. President, I desire to substitute the numerals "45" for the numerals "60," in line 4, page 197.

Mr. WALSH of Massachusetts. I think the committee ought to make the rate "40"; I was going to move to make it "35."

Mr. SMOOT. I will remind the Senator that the duty proposed is on fancy articles, such as bags fitted with traveling,

bottle, drinking, dining or luncheon, sewing, manicure, or similar sets.

Mr. WALSH of Massachusetts. They are largely luxuries.

Mr. SMOOT. Absolutely; and they ought to pay 45 per cent.

Mr. WALSH of Massachusetts. I will not contest the question.

SEVERAL SENATORS. Vote!

Mr. SMOOT. Mr. President, there is one amendment in the paragraph before the amendment in line 4. I refer to the amendment striking out the word "and" in line 3.

Mr. FLETCHER. And substituting the word "or."

The PRESIDENT pro tempore. The amendment will be stated.

The ASSISTANT SECRETARY. On page 197, line 3, after the word "manicure," it is proposed to strike out the word "and" and to insert the word "or."

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SMOOT. Now, Mr. President, I move to modify the committee amendment in line 4 by striking out "60" and inserting "45."

The PRESIDENT pro tempore. The amendment as proposed to modify will be stated.

The ASSISTANT SECRETARY. On page 197, line 4, before the words "per centum," it is proposed to strike out "30" and insert "45," so as to read:

any of the foregoing permanently fitted and furnished with traveling, bottle, drinking, dining or luncheon, sewing, manicure or similar sets, 45 per cent ad valorem.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment as modified at the request of the Senator from Utah.

The amendment as modified was agreed to.

The PRESIDENT pro tempore. The next amendment will be stated.

The ASSISTANT SECRETARY. The next amendment is in paragraph 1433, relating to gloves made wholly or in chief value of leather—

Mr. WILLIS. Mr. President, I recognize the requirements of the unanimous-consent agreement, but I call attention to the fact that the Senator from North Dakota [Mr. LADD], who has an amendment to offer to this paragraph, has just been called from the Chamber. He will return as soon as he can within the next few minutes.

Mr. SMOOT. I think there will be discussion on this paragraph, so that he will have ample time to return.

Mr. WILLIS. I merely make the suggestion in order that the rights of the Senator from North Dakota may not be foreclosed.

Mr. FLETCHER. Mr. President, on this subject, pending the offering of the amendment by the Senator from North Dakota, I have a communication—and I presume nearly every Senator has received a copy of it, or a similar communication—which I wish to submit. Of course, we have very largely to depend upon others for our facts in connection with this bill. I am not personally acquainted with the facts, and I do not know how accurate the statement is, but it is a statement made by those engaged in the business. The communication is dated August 2, 1922, and the writer says:

THE ASSOCIATION OF GLOVE IMPORTERS,
New York, August 2, 1922.

HON. DUNNAN U. FLETCHER,
United States Senate, Washington, D. C.

DEAR SIR: I would ask your attention to the inclosed reprint of recent article and of an editorial published in the Journal of Commerce and Commercial Bulletin, of New York, both relating to the proposed rates on women's leather gloves as provided for in paragraph 1433 of the pending tariff bill. The article was prepared by the president of this association, Mr. Thomas R. Lewis.

This article shows clearly, and with respect to evidence submitted to the Committee on Finance of the Senate (referred to on page 4 of the inclosed reprint), that the proposed duties would be prohibitive as to the importation of women's lightweight leather gloves made of leather which has been dyed by the process of brushing, and that such gloves can not be manufactured successfully in the United States.

The result of the adoption of the committee rates would be that the women of the United States would be unable to obtain the lightweight leather gloves which to them are articles of apparel positively necessary for certain seasons and occasions. They would be compelled to use the heavier gloves made of leather which has been dyed by the process of dipping, instead of the lighter gloves made of brushed leather to which they have become accustomed and which are the only gloves suited to their needs at the seasons and occasions referred to.

It is certain that to adopt the committee rates and compel the American women to buy an article they do not want and at the same time pay much higher prices for it would bring intense resentment and strong persistent protest from the women who buy gloves. It has never been considered that the principle of protection to American industry calls for prohibition of the importation of articles that can not be produced in the United States and wherein consequently there is no American industry to protect. The object of such prohibitive

duties could only be to drive the American people into the use of some other and less desirable substitute. I would respectfully submit that such a proceeding would be an abuse and distortion of the principle of protection, and that the infliction of such an injury upon the American women at this time, when they are demanding lower prices, would go far toward discrediting and breaking down the doctrine of protection.

Yours very truly,

A. J. F. GOESSLING, Secretary.

I submit a brief upon this subject, which is not very lengthy, and ask that it be also printed in the Record.

I shall not take the time now to discuss the matter further, except to call attention to the imports and exports as showing the state of the industry.

In the Summary of Tariff Information it is stated that—

Leather gloves may be dress gloves, work gloves, or automobile gloves—now almost an independent branch of the industry. Work gloves are "block-cut" with dies of approximate measurements; dress gloves are "table-cut"—that is, the skin is manipulated to the sizes that will stretch to desired widths when drawn on the hand. The dress gloves made here are "broad-cut"; the imports, principally in the lighter weight, fit more exactly. Most dress gloves were formerly made of imported sheep and lamb skins but are now made principally from domestic raw materials. Mocha skins, extensively used, are practically all dressed and finished here. Work gloves are from domestic materials—cowhide, horsehide, and sheepskin, or of canvas or cotton flannel reinforced with leather.

Schmaschen gloves are cheap dress gloves made of the skins of stillborn—or sometimes of very young—lambs.

The production in this country of leather gloves and mittens in 1914 is given as 3,082,376 dozen pairs, valued at \$20,296,558. Without giving all the figures, in 1919 the total number of dress gloves, street gloves, mittens, and gauntlets was 1,227,284 dozen pairs, valued at \$24,563,017; of working gloves, 2,888,419 dozen pairs, valued at \$20,268,760. The number of all leather gloves produced was 3,615,703 dozen pairs, worth \$44,831,777.

As to imports—

In 1914 about \$8,000,000 of a total of \$9,000,000 value came from Germany and France. Of the men's gloves imported in the years 1919 and 1920, England sent amounts valued at \$104,754 and \$485,122, respectively. During the war period imports of women's and children's schmaschen gloves decreased. In 1918 none was received from Germany and Belgium and but small quantities from France and Italy. In 1920, however, Germany sent gloves to the value of \$170,890, which was a large proportion of the total. Imports of women's and children's gloves, not schmaschen, less than 14 inches in length, came largely from France. In 1920 the United States imported a value of \$8,796,004 from that country, \$1,615,900 from Germany, \$1,061,374 from Italy, over \$750,000 from Belgium, and almost the same amount from England.

The imports are given here, showing that they are not very important as compared with our domestic production.

In my judgment, those duties are entirely too high, if any duties at all should be imposed. I am inclined to think that these gloves ought to go on the free list.

I shall not take up time in discussing the matter any further. Have I permission to have this brief inserted, Mr. President?

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

[Reprinted from the Journal of Commerce and Commercial Bulletin of New York, May 8, 1922.]

PROHIBITIVE TARIFF ON MANY CLASSES OF GLOVES—WOMEN'S AND CHILDREN'S LEATHER GLOVES CAN NOT BE MANUFACTURED IN THE UNITED STATES.

(By Thomas R. Lewis, president of the Association of Glove Importers of the United States.)

The tariff bill (H. R. 7456), as reported to the United States Senate by the Committee on Finance, provides for rates of duty on leather gloves which are as follows:

Men's gloves, not over 12 inches in length, \$5 per dozen pairs.
Women's and children's gloves, not over 12 inches in length, \$4 per dozen pairs.

For each inch in length in excess thereof, 50 cents per dozen pairs.

In addition thereto, on all the foregoing the following cumulative duties:

When lined with cotton, wool, or silk, \$2.40 per dozen pairs.

When lined with leather or fur, \$4 per dozen pairs.

When embroidered or embellished, 40 cents per dozen pairs.

Provided, that all the foregoing shall pay a duty of not less than 60 nor more than 70 per cent ad valorem.

Thomas R. Lewis, president of the Association of Glove Importers of the United States, says:

"The domestic manufacturers of leather gloves are chiefly located in Gloversville and neighboring towns in Fulton County, N. Y. They supply practically all of the heavy working gloves and from 85 to 90 per cent of the men's leather gloves sold in the United States, and also command the market in about the same proportion in women's and children's leather gloves made of leather which has been dyed by the process of dipping or plunging. These are known as Cape and Mocha gloves and are well distinguished in the trade from the women's gloves made from the lighter and more delicate skins, which can be dyed only by the process of brushing.

"Women's and children's light-weight leather or kid gloves can not be successfully manufactured in this country, and the greatest fault of the above provisions in the pending tariff bill as reported to the Senate is that they will establish practically an absolute embargo upon the importation of gloves that women in moderate circumstances all over the country find it necessary to have and which can not be produced here. Unless these provisions are amended the result will be that women and children will be compelled to use heavier and less suitable leather gloves, at much higher prices, in place of the imported

light-weight kid gloves which they have been accustomed to wear for certain seasons and circumstances, because of the greater delicacy of texture, style, and finish of these light-weight gloves.

"The lightweight kid gloves are necessities for women and children, and this was recognized at the time of the enactment of the war revenue act of 1918, when, notwithstanding the extraordinary need for revenue, which led to taxes on sales of luxuries wherever possible, no such luxury tax was put on women's kid gloves. The present need for revenue from tariff duties has been sacrificed in the matter of gloves for the purpose of forcing the women of the United States to go without the lightweight kid gloves heretofore imported from France and other countries and to pay tribute to a few manufacturers in one country of one State.

IMPOSSIBILITY OF MANUFACTURING HERE THE LIGHTWEIGHT KID GLOVES FOR WOMEN.

"These few manufacturers have had the benefit of high protective duties continually for many years, and during the war were favored by conditions which curtailed the importation of women's kid gloves, but they have completely failed to manufacture the lightweight leather gloves of the style and finish that American women insist upon wearing, and it is thoroughly well known in the glove trade that such gloves can not be made in this country, and that this fact has been conclusively established by the unsuccessful outcome of a number of attempts.

"V. Perrin & Co., the largest manufacturers of leather gloves in the world, with factories in France, Canada, and the United States, and with a large production in the United States of women's gloves made of leather dyed by dipping, have not been able to produce here any appreciable quantity of women's gloves made of the lighter leather dyed by brushing, even when importations from France were impossible because of war conditions. The well-known wholesale dry goods company, Mills & Gibb, established a factory in Fulton County, N. Y., during the war for the purpose of making women's lightweight kid gloves, and after a large expenditure of money were obliged to discontinue the attempt because the product could not be made satisfactorily. Testimony of these facts was submitted to the members of the Senate Finance Committee at Washington.

WHY THEY ARE MADE SUCCESSFULLY ABROAD.

"Such gloves are made successfully in certain foreign countries, France especially, because the lightweight skins have been obtainable there for many generations and greater skill and care have been developed in the labor of dyeing and handling the skins and making the gloves. In France all the work incident to the making of women's kid gloves is the result of the experience of a great many years. The industry is for the most part a village industry, carried on largely by the same families generation after generation, a great deal of the work being done in the homes of the people.

"Years of such training are required before the most careful labor can acquire the skill necessary for making lightweight gloves. Our labor in the United States has never developed the patience and skill necessary to make such gloves. In fact, skilled artisans have been brought into this country from France at various times to make from imported skins the same sort of gloves they made in their native country, but the result has been that, away from the habits and customs of their native villages, they could not maintain their former skill and care and could not make gloves of the desired quality here because of lack of collaboration by different allied operators, such as exist only in centers where the industry originated and where it constitutes the livelihood of a large percentage of the inhabitants.

FRANCE IN NEED OF AMERICAN PRODUCTS.

"In a great many States in our country factories and workers are in complete or partial idleness because there is not a sufficient demand for the machinery or other articles which they produce. France needs and would buy a great deal more of such articles if she could only pay for them, but France can only pay for goods produced here by sending to us certain goods produced there. If our tariff law prohibits the importation from France of gloves for women such as can not be produced here, it is not protection to a competing American industry, which does not exist, nor to American labor, which is not now employed in such industry.

"Prohibiting the importation of women's lightweight leather gloves is beyond anything like protection. It is simply giving a license to Mr. Littauer and his favored friends to make the women in all parts of the United States pay enormously higher prices for gloves of heavier texture. It will make these favorites of the legal embargo very much richer, and all this will be paid for by the millions of women who now find it very difficult to provide themselves and their children with necessities, and by the hard-pressed workers in the many factories which ought to sell more of their products to France, and would do so if they could get fair play.

THE HIGHER PRICES THAT AMERICAN WOMEN MUST PAY.

"If the Littauer glove rates are enacted, the women's kid glove known as P. K. 2-clasp, now retailing at \$3.50 per pair, must be advanced in price not less than \$1.25 per pair. The existing rate of duty is \$2.25 per dozen. The Littauer duty would be \$10.27 per dozen, or almost five times the present duty, and the increase in the duty over the present rate would be 358 per cent.

"Similarly, the women's 16-button mousquetaire glove, now retailing at \$6 per pair, must be advanced in price by \$2.50 per pair, and hence be sold at retail for \$8.50 per pair. The existing rate of duty is \$4.50 per dozen. The Littauer duty would be \$19.53 per dozen, an increase over the present rate of 334 per cent.

"It is well known that women will not and can not pay such high prices for gloves, and the sale of the imported gloves will be practically prohibited. This is Mr. Littauer's purpose. He and the other manufacturers will then advance the prices of their gloves to the limit. The effect of this upon the public mind when it happens can be well understood in advance. This outrageous imposition for Mr. Littauer's advantage is to be perpetrated upon the millions of women buyers at a time when they need and are urgently asking for lower prices for gloves, and when all the women have votes in addition to the votes of the men folks of their households, who are also demanding that the cost of living be brought down.

AD VALOREM DUTIES ON GLOVES ARE IMPRACTICABLE.

"The Littauer duties as written into the pending bill, quoted above, contain a provision that the gloves as designated shall pay a duty of not less than 60 nor more than 70 per cent ad valorem. This provision is the joker, and in addition to the lack of a reasonable classification permitting the importation of the brushed leather (light weight) kid gloves will make the Littauer schedule most completely

prohibitive and establish the domestic monopoly sought. Moreover, it will place the glove schedule again on an ad valorem basis rather than a specific basis. This will bring serious administrative difficulties. The Government, in addition to the loss of revenue through the prohibition of importations, will have to contend with expensive disputes about values.

"Ad valorem duties on leather gloves were tried out thoroughly a number of years ago and found to be entirely impracticable. Since the leather in the gloves is a natural product that is constantly varying and fluctuating in quality and value, it is not possible to closely and fairly determine the actual value of the gloves. The efforts to collect ad valorem duties resulted in so much confusion and difficulty, with expensive and vexatious litigation, that the appraisers and collectors of customs about 25 years ago demanded that the duties be changed from ad valorem to specific rates. This was done, and specific rates have prevailed ever since under the Dingley and Payne-Aldrich tariffs, as well as under the existing tariff law, and have been entirely successful.

"I believe I can say without fear of contradiction that when the leather-glove duties were under consideration by the Senate Finance Committee it developed that practically all the members of that committee, as well as the Treasury experts and customs appraisers who were assisting the committee, were convinced that it would be entirely impracticable to apply ad valorem duties to leather gloves.

"In this matter of leather gloves, of which I am speaking, there is no opposition on our part to duties which shall be fully protective to the established American industry. What we are contending against is an indefensible abuse that is sought to be committed in the name of a protective tariff, and which, if it should be consummated, would discredit and injure the protective system and the great political party that champions it.

"In this paragraph on leather gloves, ad valorem duties should be stricken out and specific rates imposed. An amendment has been proposed providing for rates on men's gloves, and women's and children's gloves made of leather dyed by the process of dipping or plunging, protecting the American manufacturer in a far greater measure than in the Payne-Aldrich tariff, known to be the highest in the history of our country. A separate rate has been proposed for women's and children's gloves that can not be produced here, so that it will be possible for the lightweight kid gloves to come into this country, thereby yielding revenue for the United States Treasury. The public welfare calls for such an amendment, which has been introduced in the Senate by Senator Ladd, of North Dakota, a prominent and very able Republican, who is a leading advocate of a protective tariff that will be just and well balanced."

[Editorial reprinted from the Journal of Commerce and Commercial Bulletin of New York, May 12, 1922.]

TARIFF JOKERS—No. 5.

The tariff bill (H. R. 7456), as reported to the United States Senate by the Committee on Finance, provides for rates of duty on leather gloves which are as follows:

Men's gloves, not over 12 inches in length, \$5 per dozen pairs.
Women's and children's gloves, not over 12 inches in length, \$4 per dozen pairs.

For each inch in length in excess thereof, 50 cents per dozen pairs.
In addition thereto, on all the foregoing, the following cumulative duties:

When lined with cotton, wool, or silk, \$2.40 per dozen pairs.
When lined with leather or fur, \$4 per dozen pairs.
When embroidered or embellished, 40 cents per dozen pairs.
Provided that all the foregoing shall pay a duty of not less than 60 nor more than 70 per cent ad valorem.

In this paragraph, which has formed a bone of contention for years past, there now reappears an old, familiar friend. This is found in the final clause respecting an ad valorem rate to be charged upon "all the foregoing." The joker quality of it lies in the fact that inasmuch as it applies to all gloves, including those that are competitive and those that can not be produced at all in this country and are not classified in such a way as to permit proper grouping, it provides a prohibitive tariff rate. The increase in rate, if made effective, is reckoned by experts as about 334 per cent over existing levels.

It was the glove schedule which turned the stomach of President Taft just at the last moment when the conference committee was in final session over the Payne-Aldrich tariff in 1909. He sent back—so it was then asserted—the projected duties which contained a joker of this same sort for revision, with a stern message which portended a veto if the offending provision were not modified. Will President Harding do likewise if this joker holds its own up to the last?

Mr. CALDER. Mr. President, do I understand that we are now considering paragraph 1433?

The PRESIDENT pro tempore. The Senate is now considering paragraph 1433.

Mr. CALDER. I submit an amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The Secretary will state the amendment offered by the Senator from New York.

The ASSISTANT SECRETARY. At the end of the paragraph it is proposed to insert—

Mr. CALDER. Mr. President, I send that amendment to the desk to be read. I will offer it after the other amendments are acted on.

The ASSISTANT SECRETARY. At the end of paragraph 1433 it is proposed to insert the following:

Gloves made wholly or in chief value of leather made from horse-hides, pigskins, and cattle hides of cattle of the bovine species, excepting calfskins, whether partly or wholly manufactured, 25 per cent ad valorem.

Mr. McCUMBER. Mr. President, the Senator has suggested waiting until we pass upon the other amendments; but inasmuch as the rule which provides that by unanimous consent the committee amendments shall be first considered has been suspended by this unanimous-consent agreement, I can see no rea-

son why the Senator can not immediately offer that amendment and have it considered and voted on now.

Mr. CALDER. Very well, Mr. President. I offer the amendment which has just been read.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from New York.

Mr. WADSWORTH. Let it be stated.

Mr. CALDER. Mr. President, may I make an explanation of its provisions, after which it can be stated again?

Mr. WALSH of Massachusetts. I think the Senator ought to give some explanation of the amendment.

Mr. CALDER. Mr. President, the House bill would carry a rate of 83½ per cent on these working gloves. The Senate Finance Committee determined that that rate would be too high, and for that reason I have offered this amendment.

These gloves are work gloves. We manufacture practically all of them here. Not very many are imported. The record, however, shows that in 1918 \$1,500,000 worth were imported. Since then the imports have been negligible.

Mr. McCUMBER. Mr. President, I notice that the glove which the Senator has in his hand is the ordinary workmen's glove, used upon the farm and used generally by laborers.

Mr. CALDER. Yes.

Mr. McCUMBER. I will ask the Senator whether that is not practically the only workmen's glove that is made in the United States for workmen? In other words, they are not made out of cowhide?

Mr. CALDER. No.

Mr. McCUMBER. And they are not made out of any hide other than that which is specified in the Senator's amendment?

Mr. CALDER. That is correct. I may say that workmen's gloves made of leather of this character are worn generally in the United States and Canada and in no other country. There is a Canadian duty of 45 per cent against them. They are made in Canada as well as here, and the committee believes that 25 per cent would be ample protection for them.

Mr. REED. Mr. President, if these gloves are used by workmen, and if there are very few imported, and if we are furnishing free skins and free hides, why should they not be put on the free list, instead of bearing a 25 per cent duty?

Mr. McCUMBER. Mr. President, they are not made out of hides of cattle. They are not made out of hides which are placed upon the free list.

Mr. REED. What is the duty on the hides that they are made out of? I can not tell; I can not see the gloves from here.

Mr. SMOOT. Mr. President, glove leather is dutiable at 20 per cent ad valorem. I do not know whether it is this leather or not, though.

Mr. WADSWORTH. Glove leather bears a duty of 20 per cent ad valorem.

Mr. CALDER. These gloves are made from horsehides, pigskins, and cattle hides of cattle of the bovine species.

Mr. REED. Are we not putting those hides on the free list? Do we not propose to put them on the free list?

Mr. CALDER. Yes.

Mr. REED. Very well. Then the Senator from North Dakota was mistaken.

Mr. CALDER. I am under the impression that these skins are on the free list.

Mr. President, as I said a moment ago, these gloves are worn in this country and in Canada. They are not used to any great extent outside of North America. People in Europe do not use gloves at their work. The manufacture of these gloves here is very large. Canada has a duty of 45 per cent against our gloves coming into their country; and it seemed to the committee that at least, with that condition prevailing, we should have a duty here of 25 per cent.

It is true that not very many of these gloves have come in from Europe, hardly worth keeping a record of; but they can come in.

Mr. REED. If I understand the Senator correctly, Canada has a 45 per cent duty on these gloves.

Mr. CALDER. Yes.

Mr. REED. Because Canada has a 45 per cent duty against our gloves being shipped there, what reason is that for our putting a duty of 25 per cent on gloves of the same character being shipped in here? I can not get the logic of that. If we are able to make these gloves and ship them to Canada in competition with the world, in competition with the Canadian manufacturers, so that they feel it necessary to put a 45 per cent duty on them to protect the Canadian industry against our manufacturers, that is pretty nearly conclusive evidence that our manufacturers need no duty at all.

Mr. CALDER. I will say to the Senator that there is no record that we ship any into Canada.

Mr. REED. They may not be shipped into Canada.

Mr. CALDER. It is a fact, too, I will say to the Senator, that these gloves are not generally worn except in Canada and in our own country.

Mr. REED. Very well. I do not care where they are worn. The point I am making is this:

The Canadian statesmen have thought that we could make these gloves and ship them into Canada, where they are worn; and in order to protect their own manufacturers against American competition, against competition with the outside world, they put on a 45 per cent duty. If that argues anything, it is that we can make these gloves, and we can send them to Canada, and we can compete with the Canadian manufacturers, unless they put on a heavy duty to keep us out. That is a very sound argument against the necessity of any duty at all in this country.

The Senator says that these gloves are worn by workmen, and he corrects the statement of the Senator from North Dakota that none of the hides out of which they are made are on the free list, because a large part of them are made from the hides of cattle; so we put the hides on the free list for these gentlemen. They are already able to compete in Canada with the Canadian manufacturers. Why should we now impose a 25 per cent duty when every penny of it would have to be paid by the American laborer who wears these workmen's gloves? I protest against it. I say they should go on the free list, just the same as it is understood we are going to put shoes on the free list. Let us have something that somebody who works with his hands can get without paying a tax to benefit some manufacturer who is already able to compete in Canada to such an extent that they require a 45 per cent duty up there to protect them against that competition.

Mr. CALDER. The record does not show that any of these gloves are sent to Canada. The committee thought that the imposition of a duty of 45 per cent against us by Canada prevented their exportation into Canada.

Mr. REED. Does not the Senator understand that if that duty were taken off we would be able to send those gloves to Canada and compete?

Mr. CALDER. Undoubtedly.

Mr. REED. Then there is no use quibbling about whether they have been sent in or not. If we are able to ship them to Canada and sell them there without any protection, why should we not sell them in the United States without any protection?

Mr. CALDER. Mr. President, the Senator knows that with the cheap labor of Europe and the fact that large quantities of gloves come over from Europe it would be perfectly simple for the European glove manufacturer to begin the manufacture of these gloves in Europe and dump them all here. It seemed to the committee and seemed to me that 25 per cent was a moderate rate, and one to which the manufacturing interests of our country are entitled.

Mr. REED. The Senator has just said they do not make them in Europe. Now he says they may make them in Europe.

Mr. CALDER. I did not say that; I said they did not wear them in Europe.

Mr. REED. They do not make them in Europe, and the imports are negligible. Now the Senator wants a 25 per cent duty to protect an American manufacturer so that he can mulct the American laborer on these gloves to the extent of 25 per cent. At the same time, he tells us that the American manufacturer could sell them in Canada, in competition, of course, with the Canadian manufacturer and with the outside manufacturer, if it were not for a 45 per cent duty. In other words, we are asked to tax the American laboring man on his gloves; for the benefit of whom? Plainly, for the benefit of the glove manufacturer and nobody else. It seems to me that it is about time we took some of the burdens off of the people who toil. It is understood we are going to take the duty off shoes. Why put a duty on a thing a man wears on his hands made out of leather, and put the thing he wears on his feet, which is made out of leather, on the free list? Let us give our American workingmen, who have to have these gloves to protect their hands in the winter season, a glove that is untaxed. Why put on a duty of 25 per cent for the benefit of the manufacturer, which, when it gets around to the workingman, will increase the cost of his glove at least 40 or 50 per cent?

Mr. NICHOLSON. Mr. President, in regard to the character of gloves the Senator from New York has been discussing, I want to inquire whether they are made from leather

produced from the hides which have been placed upon the free list?

Mr. REED. Partly.

Mr. NICHOLSON. And the Senator from New York voted to put hides on the free list, did he not?

Mr. CALDER. I did.

Mr. NICHOLSON. How can he justify asking for a tax on gloves made from hides which he voted to place on the free list?

Mr. GOODING. Mr. President, I believe it is definitely understood that shoes are going to be put on the free list, as are harness, which the farmer uses, of course. I understand that is going to be done, and I think it should be done. But I believe it would be a very serious mistake to put gloves on the free list.

The shoe and glove industries in this country occupy entirely different positions. I think it can be said that the shoe industry has been developed up to a higher standard than it has been in any other country. I venture the assertion that within two years the shoe manufacturers of this country will come to Congress on their knees begging for protection. The glove industry, to my mind, is, as I said before, in an entirely different position, and if we put gloves on the free list it would destroy the industry. I do not believe it could exist. I do not care whether gloves are made out of cowhide or what they are made out of, I think we must save that industry, or we will only increase the unemployment in America. I hope Senators on this side who believe in protection will stand by this industry, which needs protection.

Mr. McCUMBER. Mr. President, I want to ask the Senator from New York [Mr. CALDER] a question. The question I asked him a short time ago, observing that he had in his hands several different makes of gloves, none of which were cowhide and all of which were workmen's or workwomen's gloves, was whether or not cowhide was used in the manufacture of any of those workmen's gloves. The Senator spoke, possibly without due consideration, and said "no," as I understood him. A little further investigation into the matter, however, discloses the fact that there are more gloves made in the United States out of cattle hide than out of any of the other hides. Inasmuch as the hides of the kind which the Senator has presented to us are on the dutiable list, bearing 20 per cent ad valorem, I would dislike to say that we will levy a duty of 20 per cent ad valorem upon the raw material without giving any compensatory duty upon the manufactured glove itself.

But inasmuch as the Senator himself has taken the position that there ought to be no duty, either upon the hides or upon leather, I assumed, naturally, that he would take the position that there should be no duty upon the gloves manufactured from that leather, and I suggest to him that he divide his amendment in two parts, at least, so that he may ask the compensatory duty of 25 per cent on those gloves made of pigskin, horse skin, and buckskin, of the working-glove variety, and cut out cattle-hide gloves. I think we can all vote for the amendment then, and we can allow these people who want to make shoes and who want to make gloves out of cowhide, and want everything free, to have it just as they want it, both for the shoes and for the gloves.

Mr. CALDER. Mr. President, I will withdraw this amendment temporarily until I can find out just what is the proportion of these gloves made of cattle hide.

Mr. McCUMBER. I call the Senator's attention to page 1173 of the Summary of Tariff Information, which will give him that information.

Mr. WALSH of Massachusetts. Mr. President, there is just one way to make progress, if we want to dispose of this schedule to-night, and that is to take up the committee amendments to this paragraph in their order and then consider amendments from the floor. I intend now to discuss the whole paragraph and to do so as briefly as possible.

Mr. President, paragraph 1433 provides the rates on leather gloves. Let us consider the rates and their probable effect. An examination of this part of the bill shows that the rates have been increased to a point never before reached in the history of American tariff laws, and when we make such a statement it is worthy of attention, because this is a class of articles which has certainly not been slighted in the distribution of tariff favors.

Generous ad valorem rates on leather gloves were provided by tariff laws previous to 1890, but the McKinley bill passed in that year marks the beginning of even higher protection to the leather glove industry. Even previous to 1890 the glove manufacturers could not claim that theirs was a neglected industry, so far as the tariff was concerned, because we find that as far back as 1842 the tariff law divided leather gloves into

five different classes and levied specific rates of duty ranging from 50 cents to \$1.25 per dozen pairs. By the McKinley law a combination of specific and ad valorem rates were levied. The duty on men's gloves was \$1 per dozen pairs plus 50 per cent ad valorem and the duties on women's and children's gloves were \$1.75 to \$3.25 per dozen pairs plus 50 per cent ad valorem. Additional specific duties were placed on lined gloves, on embroidered gloves, and on gloves sewed with various fancy seams.

It is not my purpose to enter upon an exhaustive discussion of the tariff history of leather gloves. I may summarize that history by saying that the tendency of these rates has been continually upward, with the exception of the Underwood tariff.

Under the Dingley Act of 1897 the basic rate on women's sheep and lamb skin gloves was \$2.50 per dozen pairs and on women's kid gloves \$3 per dozen pairs. The basic rate on men's gloves was \$4 per dozen pairs. These rates were increased by extra duties on lined gloves, on embroidered gloves, and on gloves sewed with various fancy seams.

The rates imposed by the Payne-Aldrich Act were practically the same as those under the Dingley Act. The Underwood rates were substantially lower than these. Under that law the basic rate on women's gloves was \$2 and on men's gloves \$2.50. The extra duties also were less than those of the Payne-Aldrich law. Now the present bill proposes to carry the protection to a higher point than ever before enjoyed by the industry.

Upon what theory, Mr. President, can the advocates of such a measure justify the continual advance of rates? Here we have an industry which was established in this country at a very early date and which has been continually growing and taking advantage of one of the best markets for gloves, if not the best, in the world, and yet they ask for protection which only the most ardent Hamiltonian could justify for the weakest of struggling infant industries.

The proviso in this paragraph practically makes the rate not less than 60 per cent and not more than 70 per cent ad valorem. Turning to the statistics in regard to pre-war importations, we find that the average rate collected on imports of leather gloves was about 45 per cent (equivalent ad valorem rate). It is true that during the war the price of gloves increased to such an extent that the ad valorem rate collected on gloves fell to 11 per cent in 1918. Since that time the price of gloves has gone down so that the equivalent ad valorem rate has increased slightly.

Mr. President, instead of returning to the pre-war rates, however, the framers of this bill propose to carry the rates upward from the rate of 12.41 per cent, which the Tariff Commission's report shows was collected in the calendar year 1921, to a minimum of 60 per cent.

If any such increase can possibly be justified, extraordinary conditions must be shown to exist. Do we find any such state of affairs? The average value of imports for consumption prior to 1914 was between \$7,000,000 and \$8,000,000, the number of dozen pairs averaging about 1,200,000. In no year since the close of the war has the quantity of imports been as great as the pre-war average. In 1921, 911,233 dozen pairs were imported. This is the largest quantity imported in any year since the war. If we should use only the figures for value of imports, the situation might seem to be alarming for the domestic producer, as the value in 1920 was approximately \$14,000,000 and in 1921 it was \$15,000,000, but when we put these figures beside the quantity of imports we see that the situation can not be serious.

We have heard a great deal about the ruin which threatens the glove industry of this country because of the importation of the French and German gloves at the low rates of exchange. This fails to materialize when we consider the figures that have just been quoted. The value per dozen pairs of leather gloves imported in 1920 was \$15.82 and in 1922, \$14.36, whereas the average value per dozen pairs before the war was about \$6.50. Does this look like ruinous competition for the American manufacturers? Less gloves imported than before the war and the value more than twice as great!

The ratio of imports to production in 1914 was 46 per cent based on value and 47 per cent based on quantity. In 1919 it was only 10 per cent based on value and 11 per cent based on quantity. The value of the domestic output increased from \$20,296,558 in 1914 to \$44,831,177 in 1919 and the number of dozen pairs from 3,082,316 to 3,615,703 in the same period. The rate of increase in the production of dress gloves and that of working gloves was about the same.

Mr. President, we have heard a great deal of complaint about the paralyzed condition of the leather glove industry in Fulton County, N. Y., but we have likewise heard reports of stagnation of industry in many lines and many places through-

out the country, and we have no proof whatever that conditions have been worse in that locality or that industry than they have been elsewhere.

We have reports to the effect that the domestic glove manufacturers have more business in sight than at any time for many months past, and we may safely conclude that this industry has not been any more seriously affected by the industrial depression than any other industry, and that, in common with others, it is now improving.

What the proposed rates of duty would do to the wholesale and retail trade in gloves is very graphically described in a circular which has been distributed throughout the country by the Association of Glove Importers of the United States. This circular is entitled "Glove Prohibition."

The glove industry of this country is more highly localized than almost any other American industry. In 1919 the State of New York produced about \$26,000,000 worth of the leather gloves out of a total production of about \$45,000,000. Fulton County, N. Y., is the center of the industry, and the cities of Gloversville and Johnstown are of particular importance.

The figures for local production in 1919 are not available, but in 1909 Fulton County, N. Y., produced about 55 per cent of the valuation of the total output of the United States.

Protective tariff rates on a commodity made within such narrow geographical limits affords a wonderfully instructive example of protection of the few at the expense of the public at large.

Importations of gloves are almost altogether of women's and children's dress gloves. The producers of men's gloves, both the working and dress varieties, have the domestic market almost entirely to themselves. In 1914 the domestic manufacturers produced 81 per cent, on the basis of value, of the women's and children's dress gloves used in this country. In 1919 much more than one-half, on the basis of value, of the women's and children's gloves worn in this country were produced here. This in spite of the claims of the manufacturers that the importation of cheap foreign gloves has increased since the war.

The actual figures are:

Valuation of women's and children's dress gloves.

	1914	1919
Manufactured in the United States.....	\$3,963,170	\$10,333,121
Total importations of all gloves.....	9,366,899	6,162,848

We must bear these figures in mind when the claim is made that the post-war condition of the women's dress-glove industry is worse than the pre-war condition. On the contrary, our domestic manufacturers appear to be better situated than they were before the war.

This is the crux of the whole debate over the tariff on leather gloves. Advocates of high protection admit that the men's working glove industry does not need protection, and also that the men's dress-glove industry controls the American market and fears little from foreign competition. They do, however, assert that higher rates of protection are needed to build up the women's dress-glove industry, and allege that this branch of the glove industry has been neglected because in the past it has not received as high rates of duty as the men's glove branch of the business.

The imported gloves are of a different character from those made in this country. The foreign gloves, especially those made in France, are of lighter weight and are manufactured more largely by hand processes and from leather which has the dye brushed on the surface, as distinguished from those made in America which are of leather dipped in the dye.

Glove operatives have been brought from France to this country for the purpose of employing them in the manufacture of dress gloves of the same character as those made in France, but it has been found that under American conditions, and removed from the environment and traditions of their native land, they do not produce the same kind of work. Practically all of the glove dealers of this country are of the opinion that American manufacturers can not produce, even if they were granted prohibitive duties, the same kind of gloves that we import.

If these rates are put into effect, therefore, the American woman will be deprived of the privilege of wearing the fine, high-grade gloves which she now uses for formal occasions.

If the claim is made that importers have been taking enormous profits on the gloves which they have lately brought in, I would ask in turn how it happens that they have not imported larger quantities of gloves? I have already shown that the im-

portations have been smaller in quantity since the war than they were before the war. The answer which I gave to this question is that the demand for gloves in the American market has been so great that quantities brought in have been rapidly absorbed at prices fixed more by the demand than by the cost abroad.

Mr. President, if the advocates of this bill believe that the prices of gloves are too high they should take steps to prevent profiteering; the passage of this bill will merely put the stamp of Government approval on the high prices now being paid and will give the manufacturers a chance to profit instead of the importers. What we desire is a reasonable price to the consumer without profiteering by either importer or manufacturer.

Mr. WADSWORTH. Mr. President, does the Senator notice that the House provided, however, that all the foregoing gloves named in this paragraph shall pay a duty of not less than 37½ per cent ad valorem, which was based on the American valuation, which if translated into foreign valuation would read 100 per cent?

Mr. WALSH of Massachusetts. Yes; and I have shown and will again prove before I get through that this rate is based upon the value of gloves which are now coming to this country; that the rate is 10 or 11 per cent ad valorem, and it is proposed to make the minimum here 60 per cent. It is proposed to increase the duty upon gloves by 500 or 600 per cent.

Mr. WADSWORTH. Does the Senator still say that the rate in the Senate committee amendment is higher than the rate in the bill as it passed the House?

Mr. WALSH of Massachusetts. I say that the rates upon gloves by the pair are higher, and that the proviso which attempts to make a minimum and maximum ad valorem rate makes the Senate committee rate higher than the House rate. I consider 37½ per cent, based upon the foreign valuation—

Mr. WADSWORTH. It is not; it is based upon the American valuation.

Mr. WALSH of Massachusetts. I beg the Senator's pardon. The House rate is based upon the American valuation, and 37½ per cent based on the American valuation is not more than 60 or 70 per cent based upon the foreign valuation.

Mr. WADSWORTH. I think the Senator can be shown that it equals 100 per cent based on the foreign valuation.

Mr. WALSH of Massachusetts. It depends on the kind of glove. The gloves coming into this country this duty will affect are fancy gloves, women's gloves, kid gloves. There are practically no importations of men's gloves. There is no competition with the glove industry of this country from abroad, except in one class of gloves, the fancy kid glove, and it competes with the American industry in this particular: The dye on the foreign glove is put on the leather with a brush. In the case of the American glove the leather is dipped in the dye, and for that reason the foreign glove is preferred, brings a higher price, is more in demand, and is not competing with the domestic glove, but supplemental to the domestic production.

But it is only the expensive, high-class glove. The American manufacturers control the market of the cheaper kid glove, and the only reason they are asking for a protective-tariff duty is that they can, with the proper rates, be able to make gloves similar to those made abroad, and they can keep out of this country a large number of fancy kid gloves which are imported, if they are given a higher duty.

That is the only tariff issue here. There is not a tariff issue in so far as men's gloves are concerned, because there is no competition. There is not a tariff issue in so far as women's cheap gloves are concerned, because there is no competition. The only tariff issue is this: Can we, by levying a very high duty upon kid gloves, make it possible for the domestic manufacturer to compel the American women to buy domestic gloves? The importations are heavy. Can the domestic manufacturer corral that business by putting upon the market a glove which will outsell the imported glove? They can not do it. It has been tried. The most skilled glove makers of Europe have been imported into these factories and have been put to work. They have tried in various ways to make a glove as fine and as high class as the European glove. I notice the Senator from New York smiles.

Mr. WADSWORTH. I most certainly do. I anticipate the same old story, that the glove can not be made in this country; but I happen to have some in my desk made in this country as fine as were ever made.

Mr. WALSH of Massachusetts. Then I will ask the Senator why there are so many importations into this country?

Mr. WADSWORTH. They can not be made here in competition with German gloves of the same type, which are made and turned out at the German factory for 18 cents a pair, and for

which \$2.25 a pair is charged in the department stores of this country, because they have a monopoly.

Mr. WALSH of Massachusetts. Now let us follow up that statement. In 1914 the importations of women's gloves into this country were \$9,000,000 worth. In 1919 the importations were \$6,000,000 worth. There are not as many gloves imported at 8 cents a pair or 10 cents a pair from Germany to-day as there were in 1914. The Senator can not produce the statistics to show it. If the gloves were being sold at that ridiculously low price, nothing could stop the American market from being flooded. There are less gloves imported to-day than at any time during the war or the period previous to the war.

But let us see just what the importations are. The framers of the bill propose to increase the rate from 12.41 per cent, which the Tariff Commission report shows was collected in the calendar year 1921, to a minimum of 60 per cent. In other words, the value of the imports and the amount collected by the Government show that the duty averaged 12.41 per cent ad valorem. Yet the pending bill proposes to place a minimum of 60 per cent on the very same gloves. I say there is no evidence of a distressed condition of the business in this country to justify such a substantial increase and such a substantial change.

Mr. President, the value per dozen pairs of leather gloves imported in 1920 was \$15.82 and in 1922 it was \$14.36, whereas the average value per dozen pairs before the war was about \$6.50. I call the attention of the Senator from New York to these figures. The average value of a dozen pairs of gloves imported into this country in 1922 was \$14.36, while the average value in 1921 was \$15.82. The average value before the war was \$6.50. Now, where is the proof of all his talk about kid gloves being bought in Germany for 8, 10, 15, or 20 cents a pair? Of course it can not be substantiated. All the statistics available show that there are less imports now than before the war and show that the price of the foreign glove is higher than before the war.

Now, I am not going to spend any more time arguing the question.

I want to call attention to a circular which has been sent broadcast and which is issued by the association of glove importers, dated New York, April 21, 1922. It states that women's pliqué two-clasp gloves, now retailing at \$3.50 per pair, bear a duty at the present time of \$2.25 per dozen, but under the pending bill would bear a duty of \$10.27 per dozen, an increase over the present rate of 356 per cent; that women's 16-button gloves, retailing at \$6 per pair, bear a present rate of duty of \$4.50 per dozen, while the rate named in the bill is \$19.53 per dozen, an increase over the present rate of 334 per cent.

Mr. SHORTTRIDGE. Mr. President, may I ask the Senator a question?

Mr. WALSH of Massachusetts. Certainly.

Mr. SHORTTRIDGE. Does the Senator vouch for the accuracy or truthfulness of that statement?

Mr. WALSH of Massachusetts. I will be very frank with the Senator. I submitted them to an expert of the Tariff Commission.

Mr. SHORTTRIDGE. Does he know everything?

Mr. WALSH of Massachusetts. I have found those men honest. I have found them honorable. I have found them fair. I have found them just. I have found them unwilling to do more than answer one's questions directly yes or no and to give no opinion, but I have found them, when they were asked a frank question, to make a frank, honest answer, and I believe the man who gave me that information knew what he was talking about. I believe the figures I have given here confirm it. The present ad valorem rate is about 11 per cent. The bill, if the Senator can read English, provides that the minimum shall be 60 per cent. How much of an increase is that? It is between five and six hundred per cent.

Mr. SHORTTRIDGE. I am not much of a mathematician, but—

Mr. WALSH of Massachusetts. That confirms the amount stated in the circular.

Mr. SHORTTRIDGE. What did the expert say?

Mr. WALSH of Massachusetts. He said he could not dispute these figures.

Mr. SHORTTRIDGE. But he did not confirm them.

Mr. WALSH of Massachusetts. Is not that confirming them?

Mr. SHORTTRIDGE. No.

Mr. WALSH of Massachusetts. All right, then. But I say that the present ad valorem rate upon the gloves is 11 per cent, and the language in the bill calls for a minimum of 60 per cent. I ask the Senator, who surely has some knowledge of mathematics, what increase in rate that is?

Mr. SHORTTRIDGE. I shall figure that out presently. Has the Senator any information with regard to the glove industry as it is carried on in California? I note that he mentioned New York. I rose immediately for that purpose.

Mr. WALSH of Massachusetts. No; but I know if there is in California any glove industry its interests will be fully and ably protected by the Senator from California. I have not any doubt we will hear from it before the debate ends.

May I ask the Senator whether he disputes the correctness of the figures given in the circular to which I have referred?

Mr. SHORTTRIDGE. I have proof to dispute them.

Mr. WALSH of Massachusetts. What figures will the Senator give?

Mr. SHORTTRIDGE. I shall take that up presently.

Mr. WALSH of Massachusetts. How can a Senator get up on the floor of the Senate and say that a statement is false without being able to say why it is false and give some explanation for his assertion?

Mr. SHORTTRIDGE. If the Senator puts the question so directly, I answer that I have the courage to stand up and dispute the accuracy of the figures and the deductions therefrom.

Mr. WALSH of Massachusetts. I do not think any Senator can substantiate a position by simply denying an assertion made by somebody else, without some proof as to his knowledge of the facts upon which the statement is based.

Mr. SHORTTRIDGE. Nor can any Senator justify himself in affirming and reaffirming the accuracy of figures when he himself is unable to demonstrate their correctness.

Mr. WALSH of Massachusetts. Does the Senator mean to say I have not demonstrated the correctness of them?

Mr. SHORTTRIDGE. I have heard no demonstration.

Mr. WALSH of Massachusetts. I have read to the Senate the imports into this country. I have stated the amount of duty collected, and that it represented an ad valorem of 11 to 14 per cent upon gloves that came in. I have said that the bill provides a minimum ad valorem rate of 60 per cent.

Mr. WADSWORTH. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from New York?

Mr. WALSH of Massachusetts. I yield.

Mr. WADSWORTH. Why does not the Senator tell the Senate that, with the exception of the Underwood law, the four preceding tariff laws carried in excess of 50 per cent ad valorem, including the Wilson Democratic tariff law?

Mr. WALSH of Massachusetts. My information is that the maximum heretofore was 45 per cent. Perhaps the Senator is right.

Mr. WADSWORTH. The Senator is mistaken. It was 50 per cent ad valorem.

Mr. WALSH of Massachusetts. I am now criticizing the present amendment. I am not now comparing the proposed rate with previous laws.

Mr. REED. Mr. President, may I have the indulgence of the Senator from Massachusetts to inquire of the Senator from New York what difference it makes as to the justice of the pending tariff bill what amount was named in some other law some years ago? What does that prove?

Mr. WADSWORTH. If the Senator from Massachusetts will permit me, I can answer that.

Mr. WALSH of Massachusetts. I am glad to permit the Senator to answer it.

Mr. WADSWORTH. Under the other laws, even including the laws prior to the McKinley law—the McKinley law, the Wilson law, the Dingley law, and the Payne-Aldrich law—the average rate on men's gloves has been 61 per cent ad valorem and on women's gloves a minimum of 48 to 50 per cent ad valorem. That built up a tremendous industry in men's gloves and reduced the price of gloves to the consumer in that period. We have never been able to build up or hold the industry in women's gloves. The Underwood law meant ruin for both.

Mr. REED. Were they ruined under the Underwood law?

Mr. WADSWORTH. In my own time I shall describe conditions which exist at the factories and in the homes where the gloves are made.

Mr. REED. I understood the Senator to say the gloves could be made in Germany for 18 cents a pair.

Mr. WADSWORTH. Eighteen cents a pair. I have the gloves and I have the record of the whole transaction from the door of the German factory to the retail store in the United States.

Mr. REED. The Senator said they are sold in this country at \$2.25.

Mr. WADSWORTH. Yes; per pair.

Mr. REED. Does it not occur to the Senator that that is about the best argument in the world for opening the door and letting the people get the gloves at a decent price?

Mr. WADSWORTH. And give the importers 300 per cent profit and a monopoly of the business? That would close the doors of the American factories and put the American employees on the streets.

Mr. REED. If the American factories have been open with this protection—

Mr. WADSWORTH. They have had no protection on gloves.

Mr. REED. They had it under the previous law.

Mr. WADSWORTH. I am speaking now with reference to the Underwood law.

Mr. REED. In their previous condition, if the American factories had this protection, so that the American woman was not compelled to pay \$2.25 for a 15-cent pair of gloves—

Mr. WADSWORTH. Eighteen cents.

Mr. REED. Or an 18-cent pair of gloves, then it is perfectly patent that they have not been cutting down the price. It is perfectly obvious that the whole thing is a farce; and the lower—

Mr. WADSWORTH. I agree with the Senator that it is a farce. It is a farce resulting from giving other people an absolute monopoly of our market. It will happen every time that is done.

Mr. REED. Now the Senator speaks of an absolute monopoly. Does he know of any combination among the importers of gloves?

Mr. WADSWORTH. I know there are no women's gloves to amount to anything sold in this country except those coming from abroad, and that is an importers' monopoly.

Mr. REED. Is that a monopoly among the importers or a monopoly among the retail or wholesale dealers of the United States?

Mr. WADSWORTH. The retail dealers can not get their gloves in any quantities except from the importers, and they charge high prices, of course. The importer adds 200 per cent to the landed cost; and he charges that to the retailer.

Mr. REED. The importer adds 200 per cent and keeps the market at this enormously high level and yet the American can not manufacture and sell in competition after the goods have been advanced 200 per cent by the foreign importers—or 2,000 per cent, which was it?

Mr. WADSWORTH. I said 200 per cent.

Mr. REED. An advance from 18 cents to \$2.25 is about 2,000 per cent, is it not?

Mr. WADSWORTH. The 18 cents is the original factory cost. The Senator must not draw his conclusion from that. Eighteen cents is the wholesale price at the German factory door. There are insurance and transportation and the Underwood duty and the interest and landing charges to be added.

Mr. REED. How much is the present Underwood duty?

Mr. WADSWORTH. Two dollars a dozen pairs on women's gloves, which figures out on the present value 11 per cent ad valorem. The Senator from Massachusetts confirms that.

Mr. REED. If the Senator will pardon me, then we come to this proposition: A glove is manufactured in Germany for 18 cents—

Mr. WADSWORTH. I am speaking of the German gloves which are much higher than the French gloves.

Mr. REED. The gloves come to this country, according to the Senator, and they pay \$2 a dozen tariff duty, which is equivalent to about 100 per cent on their manufactured cost. Then, after that has taken place, somebody here who controls the foreign market adds 200 per cent more. With all that added, he tells us we have got to raise the tariff so that our domestic manufacturer may compete, although his gloves have already now had about 300 per cent added to their original cost. That is a demonstration, absolutely conclusive, that we have not any business to make these gloves in this country at all, for an article that costs us three times as much to make here as it does to make it abroad and is not an infant industry and still can not compete is clearly maintained at an expense that is unwarranted under any theory of protection that was ever advanced even by Dingley.

Mr. WADSWORTH. Has the Senator from Missouri ever studied the history of the tariff on men's gloves?

Mr. REED. I do not need to study that. I am discussing this proposition.

Mr. WADSWORTH. But the same principle applies. Has the Senator ever studied anything about the tariff on gloves? If he has—and I do not mean to ask an impertinent question—

Mr. REED. I have not studied the tariff on gloves, for I am not here to make an argument for any particular or special manufacturer.

Mr. WADSWORTH. Neither am I.

Mr. REED. I do not think the Senator is.

Mr. WADSWORTH. However, the Senator from Missouri is making an argument; but if he had studied the history of the tariff on gloves, he would have found that as soon as the American manufacturer was put in a position to compete with the foreigner in the manufacture of men's fine gloves the price of men's gloves in this country was reduced 75 per cent in one year, and a better glove was given to the consumer.

Mr. REED. Well, I should want to look into that matter very seriously.

Mr. WALSH of Massachusetts. Mr. President, I do not wish to prolong the debate. I simply intended to call attention to what seem to be the excessive rates that are proposed in this amendment and to present such facts as seem to me would indicate that they are not justified. Of course, there is little prospect of getting any action here in favor of reducing them. Whatever concessions that may be made will be merely trifles, for that is about all that has been conceded, even when a strong case has been made out against proposed rates.

The Senator from New York [Mr. WADSWORTH], in his colloquy with the Senator from Missouri [Mr. REED], has called attention to the fact that women's and children's gloves are not produced in large quantities in this country. I now call attention to the fact that in 1914 the domestic manufacturers of gloves produced 31 per cent, on the basis of the value, of women's and children's dress gloves which were worn in this country; in 1919 much more than one-half, on the basis of value, of women's and children's gloves which were worn in this country were produced here. Instead of the claim of the manufacturers that importations of foreign gloves had increased since the war being true, as a matter of fact, there has been a decrease in the importations from foreign countries.

Now let me sum up what I have said. First of all, there is no tariff question here in regard to men's gloves; there is no tariff question in regard to women's and children's gloves except as to the finer and higher class of gloves. So far as they are concerned, the present price of such gloves is three times more than it was before the war. The foreign gloves were then \$6 per pair compared with \$16; that is, the present price of the foreign gloves is two and a half times more than it was before the war, while the importations are less than before the war.

Everybody concedes that this domestic industry has passed through a period of depression, as has every other industry; but there is no depressed condition and there is no situation here which justifies an increase of 200, 300, and 400 per cent duty upon gloves.

Mr. President, that is all I care to say upon this subject, except that I desire to offer amendments as we reach the various items of this paragraph.

Mr. WADSWORTH obtained the floor.

Mr. REED. If the Senator will pardon me a moment, I desire to say that this is a very important item of the schedule; it is covered by the unanimous-consent agreement; and I was wondering what the disposition of the chairman of the Committee on Finance would be with reference to modifying the unanimous-consent agreement and allowing us to have a part of to-morrow to consider this matter instead of sitting here late to-night?

Mr. McCUMBER. Mr. President, we could not modify this part of the unanimous-consent agreement without modifying all of the clauses of the unanimous-consent agreement relating to other matters. I think if Senators will take their time and discuss the subject and not each one discuss the matter in another's time until one can not tell who is properly speaking and who is not, we shall be able to dispose of this subject entirely and finish it before 9 o'clock to-night.

Mr. REED. I merely make the suggestion to the Senator that all that is necessary is to modify the unanimous-consent agreement by pushing the work over one day.

Mr. McCUMBER. But that might be disagreeable to Senators who consented to the unanimous-consent agreement who are not now here. I think we can get through with the subject to-day.

Mr. LADD. Mr. President—

Mr. WADSWORTH. I yield to the Senator from North Dakota in order that he may offer an amendment to the pending bill.

Mr. LADD. Mr. President, I desire to offer an amendment to the bill, beginning on page 197, line 17, and striking out from line 17 down to line 23, inclusive, and inserting in lieu thereof the matter which I have marked and which I now send to the desk. After the Senator from New York [Mr. WADSWORTH] shall have concluded, I desire to be heard on the subject.

Mr. WALSH of Massachusetts. Let the Secretary state the amendment.

The PRESIDENT pro tempore. The Secretary will state the amendment proposed by the Senator from North Dakota [Mr. LADD].

The ASSISTANT SECRETARY. On page 197, line 17, beginning with the word "Provided," it is proposed to strike out the remainder of the paragraph and to insert in lieu thereof the following words:

Provided further, That glove trunks, with or without the usual accompanying pieces, shall pay 75 per cent of the duty provided for the gloves in the fabrication of which they are suitable: Provided further, That women's and children's gloves not specially provided for, made wholly or in chief value of leather, whether wholly or partly manufactured, not over 14 inches in length, the lengths stated in each case being the extreme length when stretched to their full extent, shall pay \$2.50 per dozen pairs; for each inch in excess thereof, 25 cents per dozen pairs: Provided further, That in addition thereto, on all of the foregoing there shall be paid the following cumulative duties: When lined with cotton, wool, or silk, \$2.40 per dozen pairs; when lined with leather or fur, \$4 per dozen pairs.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment proposed by the Senator from North Dakota.

Mr. WALSH of Massachusetts. Mr. President—

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Massachusetts?

Mr. WADSWORTH. I yield.

Mr. WALSH of Massachusetts. I desire to ask the Senator from North Dakota a question. Has not the Senator repeated some of the language which is used in the text in paragraph 1433 previous to line 17?

Mr. LADD. I have not. I have used in part the same language as that beginning in line 17.

Mr. WALSH of Massachusetts. As I heard the amendment read, there seems to be a conflict in the rates and in the language and a repetition of what appears above it in the paragraph.

Mr. WADSWORTH. Mr. President, I hope I shall not detain the Senate long; I certainly do not want to do so; but I wish to refer to some matters which I think ought to be of interest.

The glove industry in the United States had its inception in the year 1760, when a group of people were brought from Scotland, at the instance of one of the pioneers in what was then the Colony of New York. They were glove makers, living in Perthshire, in Scotland. At that time gloves were made in the homes of the people engaged in the work, and I may say that a very large percentage of gloves now are made in the same way. The impression seems to prevail that gloves are solely made in factories, but as a matter of fact a large portion of the work is done in the homes of the people who have grown up in the business for generations. The glove makers from Perthshire, in Scotland, settled in what is now Fulton County, N. Y., and named the town Perth. From that little center has grown this industry, spreading to-day over four counties, and, of course, at this time including places far removed from the State of New York, but in that neighborhood alone 40,000 people are dependent upon the prosperity of the glove industry.

Apparently the value of the industry in America generally was early recognized, for many years prior the enactment of the McKinley bill, in 1890, gloves carried an ad valorem duty of 50 per cent. We hear very loud cries about a duty of 60 per cent to-day, with wage costs more than double those of that era; but for many years before the McKinley bill was passed gloves carried a duty of 50 per cent ad valorem.

During those early generations the gloves made were largely the coarse or workman's gloves. No effort was made in those early days to make what is now known as the fine glove either for men or for women, the demand for such a glove not having become so widespread as it has in more recent years.

There was no distinction in the early days made between men's gloves and women's gloves in the matter of the tariff. The first gloves which became known as fine gloves and which began to command good prices were men's gloves made in England very largely, and in some other European countries.

They began exporting prior to 1890 a quantity of men's fine gloves. Senators can certainly recollect that prior to that time a pair of men's fine gloves could not be purchased in the United States except of foreign manufacture, and that prior to 1890, when the first change was made, a decent pair of men's gloves cost \$2.50 at our own retail stores, and the foreigner had almost a complete monopoly of that production.

In the McKinley bill for the first time an effort was made to encourage the production of men's fine gloves in this country. The McKinley bill, as I recollect, continued the 50 per cent ad valorem duty on all gloves, but also provided a specific duty of \$1 a dozen pairs on men's fine gloves, making an equivalent total ad valorem of something like from 60 to 62 per cent.

What was the result? I know that our Democratic friends have always contended that a procedure such as that would raise the price of gloves affected. It had exactly the opposite effect. Within 18 months the American industry making men's fine gloves got on its feet, and with typical American genius and with the sharpest kind of competition among American producers they put as fine a men's glove upon the market as the foreigner had ever produced, and even better, and instead of the American consumer paying \$2.50 a pair for men's fine gloves, within 18 months he was paying only \$1.50 a pair for an even better glove. So we built up the men's fine glove business in this country. Step by step we beat the foreigner at his own game and reduced the price of gloves to the people.

The McKinley bill was succeeded by the Wilson tariff bill, passed when Grover Cleveland was President, under Democratic auspices. The Wilson bill continued substantially the same duties on gloves, and the American industry continued to thrive and to grow.

The Wilson bill was succeeded by the Dingley bill, and the Dingley bill continued substantially the same duties upon gloves—about 60 per cent on men's fine gloves, and about 50 per cent, the old, unchanged rate, on women's fine gloves. We were not making women's fine gloves all through that period of years. We could not do it in competition with the foreigner; but with 10 per cent added to the original men's glove schedule, making it 60 per cent instead of 50 per cent—the women's glove schedule—we did succeed in making the men's gloves and reducing the price at the same time that we were building up a great industry.

The Payne-Aldrich bill came along and made no substantial change, averaging about 48 to 50 per cent for women's gloves and about 60 per cent for men's gloves, and still the men's glove industry grew. We had never made to any extent the women's fine gloves. The importers during all those years swore that they could not be made in this country. They had lost their enormous profits on the men's gloves which they had been bringing in; they had seen the American industry develop, and they had seen the price of men's gloves go down. They have all these years clung to their contention that we were not capable of making women's fine gloves in this country, because the women's glove is the one thing left to them where they have an absolute monopoly, which I think I can demonstrate; and, having the monopoly, they have always charged whatever price they pleased. It is true, as the Senator from Missouri has stated, that they have boosted that price away up, having a monopoly; but the instant any American tries to come in they put the price away down again and kill him before he can start. That has been the history time and time again; and as soon as they have killed the American manufacturer up goes the price again. It is the same old story when the foreigner has the monopoly.

Along came the Underwood bill and completely and drastically reversed the tariff policy so far as gloves were concerned, and cut the duties away down. Shortly after the passage and taking effect of the Underwood bill, however, the war came along, and we lived for a considerable period behind what was the equivalent of a tariff barrier, an insurmountable wall. There was the chance for the American manufacturer to try his luck at making the women's fine gloves which it had been said he never could make, and he proceeded to do it.

Mr. BURSUM. Mr. President—

Mr. WADSWORTH. I yield.

Mr. BURSUM. I think the logic of the Senator's argument about gloves should apply to hides also. Does not the Senator think so?

Mr. WADSWORTH. No; I do not.

Mr. BURSUM. Why not?

Mr. WADSWORTH. I am speaking of a manufactured product, not a raw material. There is a very different question involved.

Mr. BURSUM. The hide is the finished product of the farmer.

Mr. WADSWORTH. I do not want to argue hides on the glove schedule. The leather of which these gloves are made does not come from cowhides at all. It comes from kids and lambs and calfskins—mostly kids and lambs.

The American manufacturer found, as he knew all the time, that he could make the women's gloves, and he proceeded to do it. Of course, wages during the war went soaring to untold heights and so did all manufacturing costs, all supplies, overhead, and everything else, and the prices of gloves went soaring upward, no more so, however, than the prices of any other articles in general use by the people. That condition lasted to and including 1919. Then the effects of the war began to wear off, and the German and the Frenchman, who are the largest producers of women's fine gloves, began to resume business.

Since that time the importations of women's fine gloves from Germany and from France have mounted by leaps and bounds, until in 1921 they aggregated 991,000 dozen pairs. Those importations absolutely destroyed the industry in this country.

I want to read something from the center of this industry—a petition gotten up by the ministers in Gloversville, N. Y., after this condition had overtaken our industry. Mind you, these people who are affected have been glove makers, or their ancestors have, for generations back, since 1760. They make a large portion of these gloves in their homes, and the dealers and heads of the industry send wagons about and pick up the gloves from the homes, where they are made largely by the women in the family. Other portions of them, of course, are made in the factories. I read this to show what happened to American working people as the result of a foreign monopoly:

At a meeting of the Ministers' Association of Gloversville, N. Y., and vicinity, held on Monday, June 5, acting entirely on our own initiative and without suggestion of any kind from the outside, a committee was appointed to respectfully call your attention to some pertinent facts relative to the glove situation.

This petition was addressed to some officials in the city.

We do not profess any expert knowledge regarding either the tariff or the American-valuation plan, but we are closely in touch with the economic conditions of Fulton County. For over a year the manufacture of gloves has been at a standstill. The last winter has been one of unusual suffering because of the lack of work. Funds were raised by popular subscription to alleviate the distress, a larger amount being required than ever before in the history of the community. Our churches have been overtaxed in trying to help needy families. The glove shops are now idle, and until something definite is decided about the tariff the suffering will remain acute. In behalf of the 40,000 people who are largely dependent on the glove industry, in behalf of those whose capital is invested in the leather and glove business, we plead for immediate relief and a tariff that will enable us to sustain the industry and furnish employment to the men and women of the county.

Mind you, not only had the women's glove business been utterly destroyed but the men's glove business had been brought to the brink of destruction at the same time under the Underwood rates, which, as has been related upon the floor this afternoon, amount to only 11 per cent ad valorem.

Mr. McCORMICK. Mr. President—

Mr. WADSWORTH. I yield to the Senator.

Mr. McCORMICK. Has the Senator made allusion, or does he purpose to make allusion, to the number of small companies engaged in this industry?

Mr. WADSWORTH. The business is scattered among a large number of small companies. There are over 200 concerns making gloves. The number approaches 300.

Mr. McCORMICK. If I remember rightly, there are over 200 concerns making gloves, among which half a dozen, not more, are capitalized for \$1,000,000, according to Dun and Bradstreet.

Mr. WADSWORTH. I think the Senator is substantially correct.

Mr. McCORMICK. They are all small enterprises.

Mr. WADSWORTH. Of course, the Senator knows that whenever a glove schedule is discussed here the name of a certain ex-Congressman is always dragged into it, and it is charged and alleged that he is a lobbyist and that he is working for his own pocket all the time and that of no one else. The truth of this matter is that that certain ex-Congressman is not engaged in this business and has not been for years.

Mr. CALDER. The Senator means the kid-glove business?

Mr. WADSWORTH. Yes; I do. The business is scattered among a large number of small concerns.

Now let us see if this destruction or near destruction of the American industry by the underbidding of the foreigner has been of any benefit to the American consumer.

Here is a lady's glove from Germany. It is a brushed glove. In other words, the dye or coloring matter applied to the leather is applied with a brush on one side of the leather. There is no mystery about it. It can be done by any skilled workman. This is the kind of glove which the importers who are hanging on to this monopoly and these 300 per cent profits insist can not be made in this country. This glove, however, was made in Germany. I have here the complete record from the German factory door to the retailer's counter of the transaction in which this glove was involved, but I can give a transcript of it without reading the record. It would be rather difficult for me to do so, because a good deal of it is expressed in German marks, and expressions and phrases are used with which I am not entirely familiar, but which are European in their origin, and especially German.

There was paid to the German manufacturer for a dozen pair of these gloves 575 marks, which is \$2.16 for a dozen pair. That is about 18 cents a pair. That is the figure I gave a little while ago to the Senator from Missouri. Eighteen cents a pair is what the German manufacturer sold this glove for at

his factory door. Carry that figure in your heads, Senators. The duty under the Underwood law was \$2 a dozen pair. The landing charges were 36 cents a dozen pair, so that the cost delivered, duty paid, to the importer at New York was \$4.52 a dozen pair. The importer who imported this glove, or the lot of gloves of which this glove was one, thereupon sold that dozen pair, which had cost him \$4.52, for \$13.50. His gross profit—not his net profit but his gross profit—on a dozen pair of gloves which cost him \$4.52 was \$8.98. Here is where the American consumer begins to get it when the foreigner has a monopoly. This same lot of gloves of which this glove was one was thereupon sold over the counter at retail at \$2.25 a pair. The glove left the German factory at 18 cents, and Americans are paying these exorbitant prices to what amounts to a foreign monopoly, paying through the nose, because there is no competition in this country against it, and American men and women in the glove industry are being fed by public subscriptions, begged for by the ministers of the churches!

Mr. REED. Mr. President, will the Senator yield for a question?

Mr. WADSWORTH. I yield.

Mr. REED. Does the Senator want us to understand that the foreign market is so controlled that only particular people can buy there?

Mr. WADSWORTH. Anybody can buy these gloves in Germany, and I will say very frankly to the Senator that some of the glove-making concerns in this country, having lost their business and still being burdened with an overhead, although their men are walking the streets, in order to carry the burden of overhead in part, at least, and struggle along, hold their sales organization, and wait for relief, have themselves gone to Germany and bought some of these gloves, brought them here, and sold them in competition with the importers. In other words, we are driving our own manufacturers out of the business of employing American labor here in the United States, compelling them to go to Germany and to France to buy gloves made there and to bring them here and sell them. That is the situation.

What does this bill provide? It provides for a minimum of 60 per cent ad valorem. That was the rate on men's fine gloves for 23 years prior to the enactment of the Underwood law. The amendment now proposed by the committee provides, in effect, that women's fine gloves shall bear approximately the same rate, and if we agree to that we will put that end of the business on its feet and we will read the same history of it a year or two from now as we can read now in connection with the men's glove industry. They will meet the foreigner with competition and they will compel him to slash these outrageous prices. It will inject new life into the American industry, and before long American women will be buying fine gloves at a lower price than they are paying to-day, and they will be American made. That is exactly what happened, I will say to the Senator from Missouri, in the case of men's gloves.

Mr. REED. Are the factories in New York, where the ministers have gotten up this petition, engaged in making women's fine gloves?

Mr. WADSWORTH. No; they can not make a glove.

Mr. REED. What kind of gloves had they been making?

Mr. WADSWORTH. They had been making them during the war. That is the only time they ever had a chance to make them.

Mr. REED. What were these people who are now out of employment doing before the war?

Mr. WADSWORTH. They were making men's gloves.

Mr. REED. Are they still making men's gloves?

Mr. WADSWORTH. At about 30 per cent of their capacity. The Underwood law nearly killed them in that.

Mr. REED. The Underwood law has pretty nearly killed them in the making of men's gloves? I am speaking now of men's fine gloves.

Mr. WADSWORTH. I am not speaking of the working gloves at all.

Mr. REED. Has two-thirds of the consumption in this country been imported any time since the war?

Mr. WADSWORTH. I have not the figures of the importations of men's gloves. I can give the importations of women's gloves. I only know that the industry is flat on its back and that gloves are pouring into this country.

Mr. REED. Other industries are flat on their backs also.

Mr. WADSWORTH. Not to the extent I have noticed in the glove industry.

Mr. REED. The price of these men's fine gloves did not stay at a dollar and a half during the war?

Mr. WADSWORTH. No; during the war everything went up. Wages went up and everything else went up. But prior to

the war you could get a pair of men's fine gloves for \$1.50, American made. That glove was protected by an ad valorem equivalent of something like 60 per cent. Before it had that protection you had to pay \$2.50 for a glove not quite as good and foreign made.

Mr. REED. And substantially the same drop in prices occurred in the case of every manufactured article during the same period, did it not?

Mr. WADSWORTH. It did not, by any means, occur in the case of all manufactured articles. I bought a good many manufactured articles. I know in that same period the price of clothing went slowly up, and I know that the price of farm machinery went slowly up. It had been going up for years.

Mr. REED. The price of farm machinery was controlled by the Harvester Trust.

Mr. WADSWORTH. Not at all; it was before the Harvester Trust was formed.

Mr. FLETCHER. Mr. President, I want to ask the Senator when the petition which set forth the conditions was drawn up?

Mr. WADSWORTH. A year ago.

Mr. FLETCHER. Up to that time the industry was fairly prosperous, was it not?

Mr. WADSWORTH. It was prosperous during the war.

Mr. FLETCHER. But before the war?

Mr. WADSWORTH. Yes; it was prosperous in the production of men's gloves before the war.

Mr. FLETCHER. So that the Underwood law could not be charged with the responsibility of the destruction of the business.

Mr. WADSWORTH. Absolutely. The Underwood law is now in normal operation, which it was not during the war, and with the Underwood law in normal operation the industry is killed. This amendment from the Finance Committee is, in effect, to restore to men's gloves the duty which they carried for 23 years and to put women's gloves on the same basis; that is all. I have here two pairs of women's gloves. [Exhibiting.] One of them is a brushed glove, made as a sample merely to show that it can be done. They are not being made commercially. This is a very fine kid glove, hand embroidered, with the dye brushed into the leather. Here is a white kid glove, as fine a glove as can be found anywhere, made just as a demonstration. It is in these types of gloves that the foreigner has an absolute monopoly, and is bleeding the American consumer at the rate of 300 per cent and more gross profits.

Mr. LENROOT. Before the Senator takes his seat I would like to ask him a question. I understand the men's glove industry is much more firmly established than the women's glove industry?

Mr. WADSWORTH. Prior to the war the men's glove industry in the United States manufactured from 80 to 85 per cent of the men's gloves consumed in the United States. That great success dated from the passage of the McKinley law in 1890.

Mr. LENROOT. It is true that the imports of women's and children's gloves are very large?

Mr. WADSWORTH. Yes; they are large.

Mr. LENROOT. But the imports of men's gloves, even under the present law, are not very large.

Mr. WADSWORTH. No; not as large in proportion.

Mr. LENROOT. Then why did the committee propose a higher specific duty upon men's gloves than upon women's gloves when the importations of women's gloves are very much larger than those of men's gloves?

Mr. WADSWORTH. The specific duty seems to have been arranged in that way in the tariff laws for years back. I notice the Underwood law carries \$2.50 on men's gloves and \$2 on women's gloves.

Mr. LENROOT. Is not the duty reversed from what it ought to be? In other words, should not the women's gloves carry the higher duty?

Mr. WADSWORTH. It depends on what the equivalent ad valorem would be. I think you will find that \$5 on the men's gloves is no higher, in the equivalent ad valorem, than \$4 on the women's gloves. They are balanced in that way. The new element in this amendment is the limitation of 60 per cent ad valorem. It provides that the duty shall not fall below 60 per cent ad valorem, and 60 per cent ad valorem was the average rate of duty paid on men's gloves for twenty-odd years before the Underwood law was enacted.

Mr. WILLIS. Before the Senator from New York takes his seat I want to ask him a question. I dislike to read a letter to him, but I do not know enough about this business to ask the question intelligently, and I do want the benefit of the Senator's information. I want to read a paragraph from a letter

which has come to me from a gentleman who says he is a manufacturer of gloves. He says:

During the war, when importations of the women's lightweight leather gloves were practically impossible in any volume, we established a factory in Johnstown, Fulton County, N. Y., expressly for the purpose of making such gloves—

This is what he says about it. I want the Senator's opinion. He states this as a fact—

Nevertheless we were obliged to discontinue our attempt to make these lightweight gloves after every possible effort during a considerable period of time and with a large expenditure of money.

Then he goes on and assigns as a reason this situation:

The reasons for this inability to produce these articles here were found in our experience, as in that of others, to lie in the peculiar difficulties of tanning, dyeing, and handling the lighter and more delicate skins. In France and other European countries where such gloves are made successfully the children in the villages where the gloves are made grow up with an intimate knowledge of the skins and how to handle them. This knowledge is handed down from generation to generation, and the skins are supplied from their neighborhoods; and with this near-by source of supply and early-acquired knowledge and skill these European villagers work continuously all their lives in producing the same line of gloves. This goes on, generation after generation, and in each of the various processes, the tanning, dyeing, sewing, etc., which go to make up the completed article. It is the intensive study and care in all the little details of a delicately constructed article, patiently applied from youth to age and handed on. Our labor in this country will not and can not obtain or apply any such knowledge and skill and does not have the patience or desire to acquire it. It is not a question of wages. In our attempted manufacture of these gloves we paid the highest wages and had the most skillful labor, but the desired result was not obtainable. The fact is that the making of such gloves positively requires the inherited and established conditions of the European villages referred to, and such conditions can not possibly be reproduced here.

He makes the argument that in this country our people, not having grown up to this character of business, do not have the skill, and therefore that these gloves can not be made here. What does the Senator say to that? I am not asking the question argumentatively, but purely for information.

Mr. WADSWORTH. Well, I do not know who the writer is.

Mr. WILLIS. I will hand the letter to the Senator.

Mr. WADSWORTH. I have been assured by many glove manufacturers that they can do it, and they have handed me the gloves they have made, and I hand them to the Senator. I would say that they are very fine gloves.

Mr. WILLIS. They are very fine gloves.

Mr. WADSWORTH. This is very interesting, but the letter is not signed.

Mr. WILLIS. This page is attached to it. I do not know the gentleman. He says he is one of the Senator's constituents. It may be that he is an importer. I do not know him at all.

Mr. WADSWORTH. I recognize the name as that of a prominent importing concern.

Mr. LADD. Mr. President, a short time ago I sent to the desk an amendment to strike out, beginning with line 13 on page 197, down to and including line 23 in paragraph 1433, and substituting therefor the paragraph which I sent to the desk. I am not interfering with the tariff proposed on those gloves which are produced in this country, but what I am objecting to, and what seems to me unfair and unjust, is the heavy tariff tax that is proposed to be put on those gloves which have never been made commercially in this country and have never been successfully introduced, although large amounts of money, I am told, have been expended in trying to develop that industry.

That these gloves are not on sale in this country to any extent would be indicated from an affidavit which I have here, which was secured from the woman at Woodward & Lothrop's, in this city, who for the past 15 years has been the buyer of gloves for that company, and she states that during that entire time there have never been offered to her, or to Woodward & Lothrop, American-produced gloves of the types included in that portion of the paragraph I have asked to have amended. Without reading it, I ask that it be included as a part of my remarks.

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

CITY OF WASHINGTON,
District of Columbia, ss:

Stella G. Fischer, being duly sworn, deposes and says as follows:

1. That she is buyer of gloves for Woodward & Lothrop, of Washington, D. C., and has been assistant buyer and buyer of gloves for the said firm for about 15 years.

2. That she is familiar in her experience with the two kinds of women's leather or kid gloves which are known to the trade, and that these are the dipped gloves, which are made of leather which has been dyed on both sides by dipping or plunging the leather into a receptacle holding the dye, and that such gloves are made of the heavier skins; and that the other kind of women's and children's leather gloves known to the trade are made of lightweight skins, considerably lighter than the heavier skins above mentioned, and that these lighter skins are dyed by having the dye applied on one side by a brush.

3. That the gloves made of dipped leather are practically an American product, and that the brushed gloves are a European product; and that in all her experience she has never known of the lightweight brushed gloves being manufactured in the United States, and that she has not at any time been shown samples for purchase or been offered such brushed gloves of American manufacture, and that all the lightweight or brushed leather gloves that she has bought in her experience as a buyer have been of foreign manufacture, and that she has always been informed during her experience as a buyer of gloves, and believes, that such gloves can not be manufactured successfully in the United States, and have never been obtainable in any commercial quantities; and that she has been repeatedly informed and believes that all attempts to manufacture such gloves in the United States have been entire failures.

4. That in her experience the women who buy gloves insist upon having the lightweight brushed gloves for many occasions, and can not be satisfied with the heavier dipped gloves as a substitute; and that higher prices for the brushed gloves would have the effect of forcing the women who buy gloves to use the heavier, dipped gloves against their will.

STELLA G. FISCHER.

Sworn to and subscribed before me this 4th day of August, A. D. 1922.

[SEAL.]

RICHARD O. MULLIKIN,
Notary Public.

Mr. LADD. In this particular instance I want to call attention to the gloves as imported. Those which are 12 inches cost abroad at this time \$16.87, I am informed. The landing charges are 84 cents, the present rate of duty is \$2.25, while the proposed duty of a minimum of 64 per cent would make \$10.12, or an increase of 349 per cent.

The long gloves which I show [exhibiting] cost \$20.63 per dozen, the landing charges are \$1.03, the present rate \$4.50, the proposed rate \$12.37, making them cost laid down here \$34.03. The rate asked is an increase of 174 per cent. These gloves are sold at retail at \$4.50 at the present time, and would be sold at nearly double that under the proposed rate.

I was informed that a large firm of importers, also manufacturers, of gloves in New York City, not being able to secure the gloves during the war, expended considerable amounts of money in trying to develop the manufacture of gloves of the same type in this country during the war when they had a complete monopoly of the trade. They state in their letter to me, which I ask to be incorporated in the RECORD as a part of my remarks, that they found it impossible to compete with the European gloves or to produce them in a satisfactory manner in this country, for the reason that the gloves produced here were not of the same quality because of the lack of skill in handling; that they did not stretch in the same way and did not wear as well, and were unsatisfactory to the women; and therefore they were obliged to discontinue the manufacture of them, as they could not compete after the war with the foreign gloves. I ask that the letter be inserted as a part of my remarks.

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

JUNE 16, 1922.

HON. E. F. LADD,
United States Senate, Washington, D. C.

DEAR SIR: We wish to add our commendation to the amendment which you have introduced to paragraph 1433 of the tariff bill now pending in the Senate (H. R. 7456). Your amendment relating to leather gloves very well meets the practical requirements of the situation and provides a proper and necessary classification for women's lightweight leather gloves which long experience has proven can not be made successfully in this country. Your amendment provides for very high protective duties (all that anyone could possibly ask for, and much higher than the corresponding rate in the former Payne-Aldrich tariff) on all the kinds of leather gloves which American manufacturers are able to produce commercially in the United States, namely, men's gloves and the women's gloves made of leather which has been dyed by the process of dipping or plunging; and at the same time provides for adequate duties, not too high to prohibit importations, of the sort of women's gloves which can not possibly be made here successfully, but which the women of the United States demand for certain seasons and occasions, namely, gloves made from the lighter and more delicate skins which can be dyed only by the process of brushing. You are thus protecting completely every American industry engaged in producing leather gloves, and permitting importations (to yield needed revenue to the Government) of the class of gloves not produced or capable of being produced here.

We know thoroughly from our own actual experience that it is not possible to produce here in any appreciable quantity the women's leather gloves made of the lighter leather (kid) which must be dyed by the process of brushing. We have been for many years wholesale dealers in men's and women's gloves of all kinds, domestic and imported. During the war when importations of the women's lightweight leather gloves were practically impossible in any volume, we established a factory in Gloversville, Fulton County, N. Y., expressly for the purpose of making such gloves, from the lighter skins which must be dyed by brushing, such gloves being very well distinguished in the trade from the women's and children's leather gloves made of leather which has been dyed by the process of dipping or plunging. This latter class of gloves are of heavier skins, and are known as Cape and Mocha gloves.

In this manufacturing effort we had the advantage of a great deal of experience in gloves and with the labor required for making them, and we were able to make all necessary expenditures of money, and importations of foreign-made gloves were almost entirely shut out by a practical embargo caused by war conditions, while the demand of American women for the lightweight kid gloves was urgent, and prices of all gloves in this country were very high. Nevertheless we were obliged to discontinue our attempt to make these lightweight gloves,

after every possible effort during a considerable period of time and with a large expenditure of money, because the product could not be made satisfactorily. Testimony concerning this effort and to this effect was submitted by us to the Senate Finance Committee, and similar testimony concerning other like and unsuccessful efforts by other well-known manufacturers to produce these articles here was also submitted to the committee. In fact, during a long period of years and under very high protective tariffs there have been within our knowledge a number of attempts by manufacturers to produce these gloves in this country, and all such efforts have been unsuccessful and were soon discontinued.

The reasons for this inability to produce these articles here were found in our experience, as in that of others, to lie in the peculiar difficulties of tanning, dyeing, and handling the lighter and more delicate skins. In France and other European countries where such gloves are made successfully the children in the villages where the gloves are made grow up with an intimate knowledge of the skins and how to handle them. This knowledge is handed down from generation to generation, and the skins are supplied from their neighborhoods, and with this near-by source of supply and early acquired knowledge and skill these European villagers work continuously all their lives in producing the same line of gloves. This goes on generation after generation, and in each of the various processes—the tanning, dyeing, sewing, etc.—which go to make up the completed article. It is the intensive study and care in all the little details of a delicately constructed article patiently applied from youth to age and handed on. Our labor in this country will not and can not obtain or apply any such knowledge and skill and does not have the patience or desire to acquire it. It is not a question of wages. In our attempted manufacture of these gloves we paid the highest wages and had the most skillful labor, but the desired result was not obtainable. The fact is that the making of such gloves positively requires the inherited and established conditions of the European villages referred to, and such conditions can not possibly be reproduced here.

We take this opportunity to thank you for taking up this subject and for the able way in which you have handled it. Samples of gloves such as we have referred to will be placed in your hands early next week, after conference with Mr. T. R. Lewis, president of the Association of Glove Importers.

Yours very truly,

MILLS & GIBB CORPORATION,
G. R. FOGARTY, President.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. LADD. Certainly.

Mr. LENROOT. I did not quite understand just the effect of the Senator's amendment. The amendment provides that if the leather has been dyed by the process of dipping or plunging, it shall take the same rate as is proposed by the Senate Finance Committee. Is that correct?

Mr. LADD. That is the American-made glove.

Mr. LENROOT. If the leather has been prepared in some other way, the rate will only be one-half that sum.

Mr. LADD. It would be \$2.40; in other words, on the gloves that we do not make and never have made in this country.

Mr. LENROOT. I know, but why should the mere difference of processing the leather make a difference of 50 per cent in the rate?

Mr. LADD. I have not attempted to change the rate of protection where it is deemed necessary for the workingmen of this country who are making the gloves. Therefore, for the gloves we have produced I have not proposed a change in the rate, but I have simply taken the rates for those gloves which are made in small institutions or in the homes abroad and not made in this country, and proposed that that rate shall be reduced.

Mr. LENROOT. May I ask the Senator this question, then? A glove that has not been dyed by the process of dipping or plunging, but is dyed in some other way and is imported, must compete with the glove that is dyed through the process of dipping or plunging, must it not?

Mr. LADD. Yes.

Mr. LENROOT. If it does compete, does it not displace it if the rate is too low?

Mr. LADD. That is very true. But what I am objecting to is forcing the women of this country to pay an unnecessarily high price for the type of glove they desire to wear or be forced to wear the glove that is made in this country. In other words, it simply has the effect of forcing from the American market the foreign glove and substituting a glove that is entirely different.

Mr. LENROOT. Why, then, should not the Senator's amendment be so worded that anybody could understand it? Why should there not be a straight reduction to whatever rate the Senator proposes, if one does compete with the other?

Mr. LADD. One is made in this country and the other is not made in this country.

Mr. LODGE. Where is it made?

Mr. LADD. The glove is made in France and Germany, but the gloves that are dipped are made, I understand, in this country.

Mr. SMOOT. I wish to say that both are made in this country.

Mr. WADSWORTH. I have a pair in my hand that was made in this country.

Mr. SMOOT. I have here samples of gloves made in this country, one of the dipped style and the other of the brushed

style. If the Senator is not a pretty good judge, he could not very well tell the difference between the two, and yet the brushed glove is made here. The statement that they are not made here is hardly correct. I will hand the Senator a sample of the glove. I hand him a glove that is made in the United States.

Mr. LADD. Yes; I have some of the same gloves, as I have already stated.

Mr. SMOOT. That is the brushed glove.

Mr. WADSWORTH. They are not made commercially because they have never been given a chance, but they can be made very easily.

Mr. LADD. I agree with that; but they are not made and sold in this country, and the affidavit of the largest house in this city, Woodward & Lothrop, states that for 15 years they have never had offered to them any gloves made in this country.

Mr. WADSWORTH. For an obvious reason.

Mr. LADD. The Senator has exhibited gloves made for this particular purpose, and I have some of the same gloves.

Mr. WADSWORTH. But the purpose is obvious. The importer does not want to have them made here.

Mr. LADD. Without regard to price?

Mr. WADSWORTH. But see what he is getting for them.

Mr. LADD. I will admit they can be made here, but not in competition at the price, nor will they, I am told, be of the same quality.

Mr. WADSWORTH. Of course, the importers have always said that. They are clinging to the monopoly. They love it. It tastes good. They raise their prices 200 or 300 per cent, and then they tell the women who step up to the counter, "These gloves can not be made in the United States." The affidavit of the saleswoman from Woodward & Lothrop is already famous throughout the industry. The whole glove industry are laughing at it. The whole glove industry know they can make the gloves if once given a chance. The significant thing is that of all the women's fine gloves that are imported in the United States 90 per cent are the brushed gloves, which under the Senator's amendment would have no protection and the foreign monopoly would continue. It is the last desperate effort to cling to that monopoly. They have not told the Senate, and I doubt if they have told the Senator from North Dakota that the amendment which he proposes affects 90 per cent of all the importations.

Mr. LODGE. Mr. President, may I ask the Senator a question? Where are the brush gloves made? I understood the Senator to say that they are made in Germany and France. I thought they were made in Italy.

Mr. WADSWORTH. Some are made in Italy; but Germany and France are the largest producers. They are also made in Czechoslovakia.

Mr. LODGE. They are made everywhere.

Mr. LADD. In the European countries.

Mr. WADSWORTH. It has always been said we could not make them here. It is the old cry of the importers.

Mr. LADD. I desire also to insert in the RECORD the amounts of importations of gloves under the Wilson law from 1894 to 1897, under the Dingley law from 1898 to 1908, under the Payne-Aldrich law from 1909 to 1912, and under the Underwood law from 1913 to 1922, showing the imports of men's, women's, and children's gloves and the total imports of men's gloves; also a table showing the total production for certain years and persons engaged in the industry.

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

The tables referred to are as follows:

Statement showing the imports of men's, women's, and children's gloves.

	Year.	Imports of men's, women's, and children's gloves (total dozens).	Imports of men's gloves (total dozens).
Wilson bill, 1894-1897.....	1895	1,298,006	44,657
	1896	1,262,427	65,120
	1897	1,235,192	61,420
	1898	1,040,535	36,720
	1899	1,054,986	49,500
	1900	1,205,874	54,826
	1901	1,042,226	50,330
Dingley bill, 1898-1908.....	1902	1,014,711	60,040
	1903	924,033	73,050
	1904	953,956	74,350
	1905	866,259	89,008
	1906	1,058,926	92,600
	1907	1,186,569	108,000
	1908	902,541	93,961

Statement showing the imports of men's, women's, and children's gloves—Con.

	Year.	Imports of men's, women's, and children's gloves (total dozens).	Imports of men's gloves (total dozens).
Payne-Aldrich bill, 1909-1912.....	1909	1,159,221	86,673
	1910	1,309,107	99,284
	1911	1,196,871	86,610
	1912	1,128,355	65,350
	1913	1,116,632	66,810
	1914	1,475,689	65,627
	1915	1,107,032	62,459
Underwood bill, 1913-1922.....	1916	700,698	32,187
	1917	735,879	31,408
	1918	665,316	31,212
	1919	380,558	5,185
	1920	831,982	29,155
	1921	912,856	18,262
	1922		
Total.....		28,767,437	1,633,949

Per cent.

Men's.....	5.67
Women's.....	17.80
Total.....	23.47

Statement showing the production of men's, women's, and children's gloves.
(Dozens.)

Year.	Domestic.	Imported.	Combined.
1899.....	2,805,661	1,054,986	3,860,647
1904.....	8,370,146	953,956	9,324,102
1909.....	8,368,635	1,159,221	9,527,856
1914.....	8,082,376	1,475,689	9,558,065
1919.....	8,666,045	380,558	9,046,603
Total.....	16,882,863	5,024,410	21,907,273
Average yearly.....	8,276,572	1,004,882	9,281,454

Average yearly importations, 23.47 per cent.

Average yearly domestic, corresponding years, 76.53 per cent.

Statement showing persons engaged in the glove industry.

Years.	Population, United States	Persons engaged in the glove industry.	Census.
1890.....	63,069,756	15,325	1899
1900.....	77,256,630	11,712	1904
1910.....	93,402,151	12,950	1909
1920.....	107,436,441	12,345	1914

Population, increase, 70½ per cent. Persons, decrease, 19.56 per cent.

Mr. LADD. I have no particular interest except that I feel and still maintain that the gloves have not been made in this country, whatever the reason may be; that they are not being made to-day; that they had the protection of an embargo during the war; that the manufacturer who put money into them during that time was unable to compete; that they still have a tariff on them as much as the other gloves have, and yet are not produced in this country; and to place this tariff of 340 per cent is an unnecessary burden.

Mr. REED. Mr. President, the great difficulty in all discussions is to arrive at the basic fact. The Senator from New York [Mr. WADSWORTH], who always speaks with a rare degree of clearness, nevertheless makes the mistake which other mortals make of assuming a premise which may or may not exist, and arguing from that premise. The whole basis of his argument is that there is a European monopoly controlling the prices of gloves in this country. Over and over again he referred to the European monopoly.

I asked him one question and his answer destroyed his entire argument. He admitted, or stated frankly—that is the more polite way to put it—that the European market was absolutely open and that anybody could go to Europe and buy European gloves in a free and open market. If that is the case, and since it is admitted we must assume it to be the case, then there is no European monopoly and the scarecrow of European monopoly which he held up before us vanishes in thin air. If there is any monopolization of the business of handling European-made gloves, it therefore is not a European monopoly, but is a combination of importers, and since every dealer is privileged to buy in Europe and since all of our very large dealers do have their European agents and do buy directly, it follows that if exorbitant prices are charged to the retailer, it is the result of a combination conspiracy or trade

understanding of some kind which has been arrived at by the dealers in the country.

Now, if there be a combination of that character the question at once arises, How will a higher tariff in any way tend to benefit the American purchaser? That is the first question to which I want to give a moment's consideration. If with a tariff of \$2 per dozen the American importers, through a combination among themselves, for a glove which costs 18 cents at the factory door, and which with the tariff and the transportation added would not cost more than 35 or 40 cents, charge the American people \$2.50 per pair, how will it benefit the American consumer to make the tariff \$5 a dozen or any other higher amount? Manifestly if we are in the grip of such a combination as we have spoken of the higher we raise the tariff the more difficult it will be to purchase gloves abroad, the more complete will be their monopoly if the tariff has any effect, and certainly it must be true that the tariff will not tend to reduce the price to the American consumer. Neither will it tend to limit the extortion practiced, as it is alleged, by the importers.

The next question then arises whether we can produce a competition with the foreign importer, who has monopolized the market at home, not abroad, by establishing the business there through a high tariff.

Let us examine that for a moment. If those who handle the retail and distributing glove business of the country are strong enough to go into the open European market, where everybody may go; to go into France where these gloves are manufactured and where everybody may go to purchase; into Germany where these gloves are manufactured and where everybody may purchase and can, through the force of their combination, extort these wicked prices from the women as well as the men of the United States, what reason, I say, is there to believe if we do establish an American industry through the imposition of a tariff the same instrumentalities would not control the prices? To say that they would not is simply to assume something of which there is no evidence, which is not borne out by any kind of logic. Now, for a moment let us turn to the question of the building up of the glove industry in the United States by the enactment of a higher tariff. We have had in the United States a tariff upon gloves for 30 or 40 years, and a very high tariff. The Underwood tariff is somewhat lower than the tariff that preceded it, but under those very high tariffs the manufacture of women's fine gloves in this country never sprang into existence. A few gloves were made during the World War, when prices went to an unheard-of figure. What reason is there to believe that an industry which took some faltering steps during the war may be built up now by any tariff that is within the limits of reason?

Let us see what the proposition is. The Underwood tariff as it stands to-day imposes a duty of \$2 a dozen upon gloves which at the factory door cost \$1.80 a dozen—a tariff of over 100 per cent—and we are asked to believe that an industry ought to be built up by a higher tariff, which in 40 years' time, with more than 100 per cent tariff, according to the figures that have just been given here—it has not been 100 per cent in figures, I am aware, but it is equivalent to 100 per cent when a duty of \$2 a dozen is imposed on gloves that cost \$1.80—has not been able to compete with the foreign article.

Mr. CALDER. Will the Senator from Missouri permit me to interrupt him?

Mr. REED. Let me just finish this thought. What reason is there to believe that we may build up such an industry in the future through the medium alone of the tariff?

Mr. CALDER rose.

Mr. REED. I will yield in a moment. But that is not all of the story which we are told here this afternoon. We are told that these gloves which cost \$1.80 a dozen at the factory door are sold in this country by this combination or monopoly at \$13 a dozen. If, then, a monopoly has fixed a price of \$13 a dozen, or more than six times the cost of the foreign production, and yet the industry in our country which has been established is languishing and going to destruction, although the price of the article with which it competes is 600 per cent above the cost of production, the conclusion is inevitable that this business can not be established by any kind of sensible tariff.

Oh, but it is said that if the industry did start, then the importer might drop his price to a destructive figure. But the importer has not dropped his price; he maintains it now—600 per cent, speaking broadly, above the cost of foreign production—and yet it is said that the domestic factory doors are closed; that women and children are starving. Why have they not made these gloves in Gloversville and offered them to the public at, say, \$12 a dozen, which is still 600 per cent beyond the cost of foreign production? Why did they shut down? Why did they not go into the market and offer their goods?

The trouble with this matter is that when it is said there is a foreign monopoly which has put the price up 600 or 700 per cent and still there is no domestic competition Senators have argued themselves into a position where they have demonstrated that the domestic manufacturers can not make the goods. That is all there is to it. However, those manufacturers are down here asking that every woman and every child in the United States who wears a glove shall be taxed, although they can not sell in competition when there is a protective tariff and when there is a monopoly profit added of 600 or 700 per cent.

There have been some statements made in reference to the enormous amount of dumping of gloves in this country. What are the facts? In 1914, before the World War, we imported 1,200,000 dozen pairs of these gloves. In 1921 we imported 911,000 dozen pairs. We have not reached the pre-war figure. In 1914, of the total consumption of gloves in this country, we imported 47 per cent, and in 1919 only 11 per cent, and the importations to-day, which Senators on the other side of the Chamber say have closed the doors of the factories in their States, do not equal the importations before the war.

What is the trouble with the glove business here? In the first place, the manufacturers raised the price of gloves to an exorbitant, outrageous, and criminal price during the war. The people were able to pay those prices then because they were making a great deal of money. The glove producers continued to prosper during 1918, when other people were prospering, but when the slump of 1920 came and the people could no longer afford to buy these expensive gloves, that business, which deals in an article which is at once a necessity but also in the nature of a luxury, suffered. Now, when everybody is suffering, when everybody else is compelled to take his losses, it is proposed to tax those who are forced to take their losses in order to sustain a business which admits it can not compete although the market price is 600 per cent above the cost of foreign production.

Who is protecting the American farmer? Senators may put all the protection into this bill that they desire, but the American farmer has to sell his wheat abroad on the foreign market. The price of foreign wheat fixes the price of wheat here. The American farmer has to sell his surplus meats abroad in the foreign market, and the price there, broadly speaking, fixes the price here. I am omitting in all my statements some little cornering which may occur at times. Who is protecting the great body of the American people, who are compelled to lower their cost of living because their income has been decreased? Many of them are walking the streets; many of them are seeking employment; but it is now proposed as to every woman and as to every girl who wears a pair of gloves—and the Senator from New York [Mr. CALDER] even proposed on workingmen's gloves a tariff, although he proposed a lower rate, I give him credit for that, than is in this bill, but a higher rate than is in the Underwood law—to levy a tax on the very necessities of life that everybody has to have, to lay that tax even upon the unemployed, because there is some unemployment in Gloversburg or Gloversdale, or wherever it is, in New York.

It is the usual game of robbery. I have not time now—for I wish to stop within my 15 minutes—to discuss it, but I have seen these leeches and bloodsuckers come before the Committee on Finance demanding what they proposed to have in the way of a tribute from the remainder of the American people. I have seen them demanding a tariff eight or ten times greater in the aggregate to be collected than their entire pay roll; and they did it in the name of American labor.

The truth is that this administration has surrendered itself, body and soul, to the big interests of the country. The Republicans have taken the taxes off the millionaires and left them on the common people; they have taken the taxes off the profiteers and left them on the common people. Now it is proposed to put a tax on the common people for the benefit of the millionaires, of the trusts, and the combinations. Nothing I can say will stop it; but the American people will stop it after the next election. Now, drive on.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from North Dakota [Mr. LADD].

The amendment was rejected.

*Mr. WALSH of Massachusetts. Mr. President, on page 197, line 19, I move to strike out the numerals "60" and "70" and to insert in lieu thereof the numerals "30" and "40," and upon that amendment I ask for the yeas and nays.

Mr. CALDER. Mr. President, I ask that the amendment to the committee amendment may be stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The READING CLERK. On page 197, in line 19, it is proposed to amend the committee amendment by striking out the numerals "60" and "70" and inserting "30" and "40."

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

The PRESIDING OFFICER. The Secretary will call the roll.

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

Ball	Hale	Norbeck	Stanfield
Calder	Harrell	Oddie	Stanley
Cameron	Harris	Overman	Sterling
Capper	Hedlin	Pepper	Sutherland
Colt	Kendrick	Philpotts	Townsend
Cummins	Keyes	Pomerene	Trammell
Curtis	Ladd	Reed	Wadsworth
Dial	Lodge	Sheppard	Walsh, Mass.
Edge	McCumber	Shortridge	Walsh, Mont.
Ernst	McKinley	Simmons	Warren
Fletcher	McNary	Smith	Watson, Ind.
Gerry	Moses	Smoot	Willis
Gooding	Nicholson	Spencer	

The PRESIDING OFFICER. Fifty-one Senators having answered to the roll call, a quorum is present. The question is on the amendment of the Senator from Massachusetts [Mr. WALSH] to the amendment of the committee.

Mr. WALSH of Massachusetts. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BALL. May we have the amendment stated?

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 197, line 19, the committee proposes to strike out "37½" and insert "60 nor more than 70." The Senator from Massachusetts [Mr. WALSH] proposes to strike out "37½" and insert "30," and in the same line to strike out the numeral "70" and insert "40," so that it will read:

Provided further, That all the foregoing shall pay a duty of not less than 30 nor more than 40 per cent ad valorem.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Massachusetts to the amendment of the committee, on which the yeas and nays have been demanded and ordered. The Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. JONES of New Mexico (when his name was called). I transfer my general pair with the Senator from Maine [Mr. FERNALD] to the Senator from Nevada [Mr. PITTMAN] and will vote. I vote "yea."

Mr. KENDRICK (when his name was called). I transfer my pair with the Senator from Illinois [Mr. McCORMICK] to the Senator from Texas [Mr. CULBERSON] and will vote. I vote "yea."

Mr. LODGE (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the junior Senator from Vermont [Mr. PAGE] and will vote. I vote "nay."

Mr. McCUMBER (when his name was called). I transfer my general pair with the junior Senator from Utah [Mr. KING] to the junior Senator from Washington [Mr. POINDEXTER] and will vote. I vote "nay."

Mr. MCKINLEY (when his name was called). Transferring my general pair with the junior Senator from Arkansas [Mr. CARAWAY] to the senior Senator from Minnesota [Mr. NELSON], I vote "nay."

Mr. SIMMONS (when his name was called). I have a general pair with the junior Senator from Minnesota [Mr. KELLOGG]. I transfer that pair to the senior Senator from Nebraska [Mr. HITCHCOCK] and will vote. I vote "yea."

Mr. SUTHERLAND (when his name was called). I transfer my general pair with the senior Senator from Arkansas [Mr. ROBINSON] to the senior Senator from Connecticut [Mr. BRANDEGEE] and will vote. I vote "nay."

Mr. WALSH of Montana (when his name was called). I inquire if the Senator from New Jersey [Mr. FRELINGHUYSEN] has voted?

The PRESIDING OFFICER. He has not.

Mr. WALSH of Montana. I am paired with that Senator. I transfer that pair to the Senator from Arizona [Mr. ASHURST] and will vote. I vote "yea."

Mr. WATSON of Indiana (when his name was called). I transfer my general pair with the senior Senator from Mississippi [Mr. WILLIAMS] to the senior Senator from Maryland [Mr. FRANCE] and will vote. I vote "nay."

The roll call was concluded.

Mr. EDGE. I transfer my general pair with the Senator from Oklahoma [Mr. OWEN] to the Senator from Delaware [Mr. DU PONT] and will vote. I vote "nay."

Mr. HALE. I transfer my pair with the senior Senator from Tennessee [Mr. SHIELDS] to the junior Senator from Maryland [Mr. WELLER] and will vote. I vote "nay."

Mr. CURTIS. I desire to announce that the Senator from Washington [Mr. JONES] is necessarily absent. He is paired with the Senator from Virginia [Mr. SWANSON].

I also desire to announce the following general pairs:

The Senator from West Virginia [Mr. ELKINS] with the Senator from Mississippi [Mr. HARRISON];

The Senator from California [Mr. JOHNSON] with the Senator from Georgia [Mr. WATSON]; and

The Senator from Indiana [Mr. NEW] with the Senator from Tennessee [Mr. MCKELLAR].

Mr. SHEPPARD. I desire to announce that the Senator from Mississippi [Mr. HARRISON], if present and not paired, would vote "yea" on this question.

The result was announced—yeas 22, nays 33, as follows:

YEAS—22.

Bursum	Harris	Overman	Stanley
Capper	Hedlin	Pomerene	Trammell
Dial	Jones, N. Mex.	Reed	Walsh, Mass.
Fletcher	Kendrick	Sheppard	Walsh, Mont.
Gerry	Ladd	Simmons	
Glass	Nicholson	Smith	

NAYS—33.

Ball	Ernst	McNary	Sutherland
Broussard	Gooding	Moses	Townsend
Calder	Hale	Oddie	Wadsworth
Cameron	Harrell	Pepper	Warren
Colt	Keyes	Philpotts	Watson, Ind.
Cummins	Lenroot	Shortridge	Willis
Curtis	Lodge	Smoot	
Dillingham	McCumber	Stanfield	
Edge	McKinley	Sterling	

NOT VOTING—40.

Ashurst	Harrison	Myers	Ransdell
Borah	Hitchcock	Nelson	Rawson
Brandeggee	Johnson	New	Robinson
Caraway	Jones, Wash.	Newberry	Shields
Culbertson	Kellogg	Norbeck	Spencer
du Pont	King	Norris	Swanson
Elkins	La Follette	Owen	Underwood
Fernald	McCormick	Page	Watson, Ga.
France	McKellar	Pittman	Weller
Frelinghuysen	McLean	Polndexter	Williams

So the amendment of Mr. WALSH of Massachusetts to the amendment of the committee was rejected.

Mr. STERLING. Mr. President, I move to strike out the number "60" in line 19 and to insert in lieu thereof the number "50," so that it shall read:

Not less than 50 nor more than 70 per cent ad valorem.

On that I ask for the yeas and nays:

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The READING CLERK. On page 197, line 19, in the committee amendment, it is proposed to strike out "60" and insert "50," so that it will read, striking out "37½":

Not less than 50 nor more than 70 per cent ad valorem.

Mr. McCUMBER. Mr. President, before that vote is taken—and possibly, therefore, the Senator need not call for the yeas and nays—I will say that the committee accepts that modification.

Mr. STERLING. Very well.

The PRESIDING OFFICER. The question is on the amendment of the Senator from South Dakota to the amendment of the committee.

Mr. WALSH of Massachusetts. Mr. President, I have no objection to the committee accepting this amendment, but on the final committee amendment I want the yeas and nays.

Mr. SMOOT. On the whole amendment?

Mr. WALSH of Massachusetts. On the whole amendment.

The PRESIDING OFFICER. The question is on the amendment of the Senator from South Dakota to the amendment of the committee.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended.

Mr. WALSH of Massachusetts. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. WADSWORTH. Will the Chair state the question to the Senate?

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended.

Mr. WADSWORTH. Have we passed upon the preceding committee amendments to this paragraph? However, it makes no difference, so far as I can see. We can go back to them.

The PRESIDING OFFICER. The question is on agreeing to the amendment as amended, on which the yeas and nays have been ordered. The Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. EDGE (when his name was called). Making the same announcement as before, I vote "yea."

Mr. HALE (when his name was called). Making the same announcement as before, I vote "yea."

Mr. JONES of New Mexico (when his name was called). Making the same announcement as on the previous vote regarding my pair and transfer, I vote "nay."

Mr. LODGE (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. UNDERWOOD], which I transfer to the junior Senator from Vermont [Mr. PAGE] and vote "yea."

Mr. McCUMBER. (when his name was called). Transferring my general pair as on the previous vote, I vote "yea."

Mr. McKINLEY (when his name was called). Transferring my pair as on the previous vote, I vote "yea."

Mr. SIMMONS (when his name was called). I transfer my pair with the Senator from Minnesota [Mr. KELLOGG] to the Senator from Nebraska [Mr. HITCHCOCK] and vote "nay."

Mr. WALSH of Montana (when his name was called). Transferring my pair as heretofore, I vote "nay."

Mr. WATSON of Indiana (when his name was called). Making the same announcement as before, I vote "yea."

The roll call was concluded.

Mr. GERRY. I desire to announce that the junior Senator from Mississippi [Mr. HARRISON] is necessarily absent. If present, he would vote "nay."

Mr. CURTIS. I desire to announce the following pairs:

The Senator from West Virginia [Mr. ELKINS] with the Senator from Mississippi [Mr. HARRISON];

The Senator from California [Mr. JOHNSON] with the Senator from Georgia [Mr. WATSON];

The Senator from Indiana [Mr. NEW] with the Senator from Tennessee [Mr. McKELLAR]; and

The Senator from Washington [Mr. JONES] with the Senator from Virginia [Mr. SWANSON].

Mr. SUTHERLAND. Making the same announcement as before with reference to my pair and its transfer, I vote "yea."

The result was announced—yeas 34, nays 21, as follows:

YEAS—34.

Ball	Gooding	McNary	Sterling
Broussard	Hale	Moses	Sutherland
Calder	Harrell	Nicholson	Townsend
Cameron	Keyes	Oddie	Wadsworth
Colt	Lenroot	Pepper	Warren
Curtis	Lodge	Philips	Watson, Ind.
Dillingham	McCormick	Shortridge	Willis
Edge	McCumber	Smoot	
Ernst	McKinley	Stanfield	

NAYS—21.

Bursum	Harris	Pomerene	Trammell
Capper	Heflin	Reed	Walsh, Mass.
Dial	Jones, N. Mex.	Sheppard	Walsh, Mont.
Fletcher	Kendrick	Simmons	
Gerry	Ladd	Smith	
Glass	Overman	Stanley	

NOT VOTING—40.

Ashurst	Frelinghuysen	Myers	Ransdell
Borah	Harrison	Nelson	Rawson
Brandeggee	Hitchcock	New	Robinson
Caraway	Johnson	Newberry	Shields
Culberson	Jones, Wash.	Norbeck	Spencer
Cummins	Kellogg	Norris	Swanson
du Pont	King	Owen	Underwood
Elkins	La Follette	Page	Watson, Ga.
Fernald	McKellar	Pittman	Weller
France	McLean	Poinexter	Williams

So the amendment of the committee as amended was agreed to.

Mr. WALSH of Massachusetts. Before we leave this paragraph I ask permission to have inserted in the Record a table showing the imports of gloves from 1910 to the present time and some communications protesting against the duty proposed.

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

Imports for consumption—revenue.

Fiscal year.	Quantities (dozen pairs).	Values.	Duties collected.	Value per unit of quantity.	Actual and computed ad valorem rate.	Production.	
						Dozen pairs.	Value.
1910.....	1,309,108	\$7,755,239	\$3,840,493	\$5.93	49.52	3,368,655	\$22,525,861
1911.....	1,196,871	7,775,437	3,554,755	6.49	45.72	.....	.....
1912.....	1,128,356	7,841,831	3,462,233	6.86	44.15	.....	.....
1913.....	1,183,443	7,619,130	3,461,925	6.44	45.44	.....	.....
1914.....	1,475,689	9,396,899	3,302,659	6.35	35.26	3,082,376	\$20,296,558
1915.....	1,107,033	7,345,914	2,386,117	6.63	32.48	.....	.....
1916.....	786,138	5,199,332	1,604,002	6.61	30.85	.....	.....
1917.....	737,276	6,519,569	1,568,640	8.84	24.06	.....	.....
Calendar year:							
1918.....	556,296	7,588,814	983,049	13.64	11.05	.....	.....
1919.....	406,068	6,162,848	842,023	15.17	13.66	3,615,703	44,831,777
1920.....	891,229	14,107,580	1,999,301	15.82	14.15	.....	.....

¹ Calendar year 1909.

² Calendar year.

FRANCIS T. SIMMONS & Co.,
Chicago, April 26, 1922.

Senator WALSH, of Massachusetts,
United States Senate, Washington, D. C.

DEAR SIR: I was very much interested in reading your recent speech on the tariff, as just reported in the Daily News Record, of New York. What is being attempted with regard to the women's kid-glove schedule in the proposed bill is a very fair example of what you claim with regard to the make-up of parts of the bill, at least.

Inclosed is a copy of a letter which I sent on April 12 to the chairman of the Senate Finance Committee.

To state the case in a few words, women's fine kid gloves never have been made in this country and never will be made here. Therefore anything but a reasonable tariff for revenue placed upon them would have to be proposed with some ulterior motive.

It is no secret that for years the manufacturers of Fulton County, N. Y., have been trying to get a prohibitive duty placed on women's fine imported kid gloves. The supposition is that while they can not produce these gloves themselves they might, by shutting them out from this country, increase the demand for their own products and in this way have a practical monopoly. Their last serious attempt along this line was in 1909, under President Taft's administration, and their complete failure then is a matter of political history.

The same interests, under about the same leadership, are apparently having another try at the game. Their motto seems to be, "If you don't at first succeed, try, try again." They are no more entitled to success in 1922 than they were in 1909; and if they and other manufacturing blocs do succeed in imposing their will upon Congress, the people will have to pay for it and the bills will be heavy.

Very truly,

WM. N. KNEER,
Secretary of Francis T. Simmons & Co.

APRIL 12, 1922.

The Hon. PORTER J. McCUMBER,
Chairman United States Senate Finance Committee,
United States Senate, Washington, D. C.

DEAR SIR: We wish to call your attention to the proposed rates on women's imported kid gloves as they appear in paragraph 1433 in the tariff bill just reported by your committee to the Senate.

In the first place these women's fine kid and lamb gloves such as are imported from France have never been made in this country and for a number of reasons known by everyone in the glove business they never can be made in this country. Therefore any duty upon them would be figured from the standpoint of producing revenue for the Government and not for the purpose of protecting an existing or a possible industry.

The specific duty proposed in paragraph 1433 is \$4 per dozen, which is just double what the present duty is. It has been proposed by many people familiar with the glove business that an increase of 50 per cent on the old \$2 rate would be ample as far as having the glove-importing industry share in providing its part of additional Government revenue. With the present rate of \$4 per dozen the old rate has been increased 100 per cent and whether that increase is justifiable and equitable might be open to discussion. What we wish to discuss here is the fact that the specific duty is made subject to a clause providing that it shall not be less than 60 per cent ad valorem.

To show you how this works out, the cheap two-clasp French lamb glove now quoted at 120 francs per dozen would figure in cost in American money \$11.08 with the French exchange of \$0.0923 quoted this morning. On this \$11.08 the specific duty would be \$4 but a 60 per cent minimum ad valorem duty would be \$6.65.

Taking a higher priced glove, the 16-button French kid mousquetaire, the present quotation is 350 francs per dozen and at to-day's exchange this would amount to \$32.30. The specific duty provided in paragraph 1433 would be \$10 per dozen but a 60 per cent minimum ad valorem duty would raise this to \$19.38. The table in the next paragraph will show these two gloves with a comparison of the present duty, the proposed specific duty, and the proposed ad valorem duty:

	Foreign cost.		Present duty.	Proposed specific duty.	Proposed ad valorem duty.
	Francs.	Dollars.			
Two-clasp French lamb.....	120	11.08	2.00	4.00	6.65
Sixteen-button French kid.....	350	32.30	4.50	10.00	19.38

In our opinion it is inconsistent to state that the duty on the 2-clasp French lamb glove shall be \$4, excepting that the ad valorem rate will make it \$6.65 and that the duty on the 16-button French kid mousquetaire shall be \$10 per dozen, excepting that the ad valorem rate shall make it \$19.38.

We maintain that the ad valorem rates proposed are absurdly high, particularly in view of the fact that the goods affected are not made in this country.

The 2-clasp lamb glove referred to is worn by almost every woman in the country, and the enormous increase in the duty on this glove, as well as on other fine imported kid gloves, will simply tend to put prices at an artificial level, while the reestablishment of the Nation's business requires that all prices shall be reduced as far and as fast as possible, so that the cost of living can be correspondingly reduced.

The substitution in the tariff bill of the foreign valuation for the American valuation is a long step in the right direction and indicates that your committee is trying to make an equitable and just settlement of the tariff question. Along this line, we claim that women's fine imported kid gloves should be taxed with specific rates only, and in view of the fact that they are not made in this country those rates would be sufficiently high for revenue purposes if increased 50 per cent over the rates now in force. It might even turn out that this reasonable increase in rates would produce more revenue in the end than the high and unreasonable rates now proposed in the 60 per cent ad valorem part of paragraph 1433. This latter schedule might well be found so high that the volume of importations would be reduced to a point where the exorbitant rates of duty would not compensate for the revenue lost in a consequent reduction of the volume of importations.

Very truly,

FRANCIS T. SIMMONS & Co.

BOSTON, MASS., February 2, 1922.

HON. DAVID I. WALSH,
Washington, D. C.

DEAR SIR: As distributors of small wares, knit goods, hosiery, underwear, and gloves we have been in business for a considerable length of time and feel that we have had considerable experience in the distribution of both imported and domestic merchandise.

We wish to call your attention to the new proposed duty on imported kid and lamb gloves.

We are enthusiastically patriotic, but believe that common sense and good business judgment make it very evident that although we are a great big powerful nation we must not expect to be able to produce everything that our citizens use.

There are certain kinds of merchandise that can only be produced in their native land. This may be due to climatic conditions or an inherited adaptability of the natives for its making.

Such articles, we believe, should be permitted to come into our country at a reasonable rate, so that our own citizens may be able to purchase them at a sensible price.

We note that the proposed rate is practically an ad valorem rate. To apply any but a specific rate of duty to imported kid gloves or any other article that is not a manufactured product is decidedly unreasonable, because the material from which the article is made is not fabricated from raw material but one of nature's own products.

No skins are alike and can not be made alike. It is true that perhaps one of the best quality of skins in a lot has a blemish which reduces its value greatly. An ad valorem duty on such an article is simply courting trouble, as there are no two skins ever alike in value.

Dissatisfaction with the tariff is lasting when it embodies schedules known to be unreasonable, and ordinary common sense should show conclusively to a tariff maker that an article, the standard of which can not be controlled by man, should not bear an ad valorem rate, but a specific rate.

Respectfully yours,

WALKER STETSON CO.,
JAS. H. STETSON, President.

BOSTON, May 13, 1922.

HON. DAVID I. WALSH,
The Senate, Washington, D. C.

DEAR SIR: The Senate has now under consideration the matter of a tariff schedule on foreign-made kid gloves.

We are heartily in sympathy with a tariff which is necessary to protect American manufacturers as against foreign competition, but careful investigation shows that there are certain types of leather gloves which never have been successfully manufactured in this country, and the schedule quoted to us places so high a duty on these particular types of gloves that it would seem as though it might either prohibit their sale or, if not, that the American user of the gloves would have to pay an exorbitant price for them and be, in this way, penalized without any American manufacturer deriving any benefit from the entire situation.

If upon investigation it seems to you that our understanding of the situation is correct, we hope that you will take action along the lines which seem to us best under the circumstances.

Very truly yours,

R. H. WHITE CO.,
G. B. JOHNSON, President.A. B. CAMPBELL & CO.,
New York, April 18, 1922.HON. D. I. WALSH,
United States Senate, Washington, D. C.

DEAR SIR: The tariff rates published in the New York press April 12 states the rates proposed by the Senate Finance Committee re women's and men's leather gloves, viz, \$4 on women's gloves and \$5 on men's gloves, supplemented by a "catch-all" phrase, "provided the rate of duty is not less than 60 per cent or more than 70 per cent ad valorem."

The decision can be readily understood, in the light of the broad question of principle, that the present rates in force do not protect homemade goods from destruction by foreign competition, so that goods coming from countries with low exchange rates could come into unfair competition with our own.

International exchange rates made the necessity real, urgent, and too important to overlook in any brief submitted to the Senate Finance Committee, consequently the decision was unquestionably founded upon the facts as presented.

It is the application of these new rates under the Senate Finance Committee decision and the Fordney bill, H. R. 7456, which led me to review the rates from the standpoint of what they mean to those engaged in the business and what they mean to the public.

The application of these rates, when translated into trade figures, establishes a result which I believe must be contrary to that which the Finance Committee had in mind when the new rates proposed were decided.

Following is a table showing the application of these rates, based on current quotations in France, applied to women's goat, glacé finish, exchange estimated at 9 cents to the franc:

	Francs.	Dollars.	Present rates.	Senate rates (60 per cent).	Fordney rates (37½ per cent).
WOMEN'S GOAT ORIGIN GLACÉ FINISH.					
Under 14 in. embd., 2-clasp, overseam.....	100	\$9.00	\$2.00	\$5.40	\$4.40
Under 14 in. embd., 2-clasp, P/K sewn.....	150	13.50	2.00	8.10	5.06
Under 14 in. P/K and embd., str. wr. w. gore and buckle..	280	25.20	2.25	15.12	9.45
Under 24 in. embd., 16 bt. msq. O/S.....	375	33.75	4.50	20.25	12.66
Under 28 in. emb., 20 bt. msq. O/S.....	500	45.00	5.50	27.00	13.87

	Francs.	Dollars.	Present rates.	Senate rates (60 per cent).	Fordney rates (37½ per cent).
MEN'S GOAT ORIGIN GLACÉ FINISH.					
Under 12 in. embd., 1-clasp O/S sewn.....	165	\$14.85	\$2.50	\$8.91	\$5.57
Under 12 in. embd., 1-clasp piqué.....	200	18.00	2.75	10.80	6.75

The above tables, if applied on a glove costing 75 francs or \$6.75, would impose an assessment of \$4. Practically no gloves under the above classification are quoted as at 75 francs at the present time.

The rates proposed have no bearing on production costs, and any additional tax imposed in excess of that required to protect our industry against cheaper foreign labor and depreciated exchange rates imposes an unnecessary burdensome tax on the public.

The Table A shows American production equals approximately 76.53 per cent, compared to importations 23.47 per cent, of which women's and children's are about 17.8 per cent and men's 5.67 per cent.

Reviewed by past achievements, have the American manufacturers proven they are justified in receiving by Government edict rates that are not competitive but are prohibitive? Does it not appear to be the better part of wisdom to inquire, before establishing increased duties on women's gloves, imposing a tax of from 45 cents to \$2.25 per pair, whether this is justified? The census shows that the number of persons engaged in the leather glove industry was, in the year 1899, 15,325, and in the year 1914, 12,345, a decrease of approximately 19.56 per cent. Comparing only the interval from 1900 to 1910, 10 years, the population of the country increased 20.88 per cent, showing a difference of 40.44 per cent. The population of the country from 1890 to 1920 increased (Tables B and J) 70½ per cent. The reports covering the periods 1899, 1894, and 1919 are not available to make a comparison. However, while the population of the country was increasing the number of persons engaged in the glove industry decreased in a startling proportion.

Therefore the figures must make clear to you that, with an industry going backward while the country is progressing, there is evidently something within the industry that is wrong. The answer is a matter of detail which is purposely excluded from this outline, but which can be satisfactorily explained at length if desired.

Now, let us see what has been accomplished by the domestic manufacturers in the men's field, which they have controlled during the past 26 years by reason of prohibitive rates on men's gloves, 1908 to 1912, \$4 to \$4.80 per dozen, which were sufficient to check importations, as from 1895 to 1921 only 5.67 per cent of the total importations were men's gloves (Table C).

By referring to the tables of statistics of imports and duties covering the years 1908 to 1914—Tables Nos. 3180 and 3181—on men's leather of sheep origin and exterior surface removed, and Tables Nos. 3192 and 3193, on men's leather of goat origin and exterior surface removed, the totals combined show that the average yearly importations were only 1,239 dozens. The value per unit of quantity in the above-mentioned tables shows the rate of protection of from 55 per cent to 67.91 per cent (Table D).

The classifications above mentioned, translated into trade terms, apply to:

Men's Mocha one-clasp PXM, now retailed at from \$3.50 to \$5 per pair.

Why \$3.50 to \$5 for men's Mocha PXM gloves?

The public will want to know this—

For the reason that competitive types of foreign gloves are practically excluded from our market, which has resulted in the creation of the demand for practically one type of men's domestic gloves for street wear. The demand for this particular type far exceeds the supply of skins of the required weight, and this has resulted in unnecessarily high prices for these protected goods.

In other words, because men by these prohibitive rates are denied the choice of the same range of types as granted to women, the demand for the particular type of domestic glove is unrelieved, and high prices result.

Before the people of this country unite and protest against the new proposed rates under either the Senate bill or the Fordney bill, does it not appear that the most reasonable course to pursue is to have a tariff law, as applied to the glove schedule rates established, which will stand a common-sense view of the subject in the last analysis?

Do the figures establish that a glove schedule can be written under specific rates which grants adequate protection to the American industry, somewhere between the high and the low rates under different administrative policies? (Table E.)

New basic rate figures are not difficult for the Senate Finance Committee to establish, by comparing rates in force during the past 30 years under both high and low schedules. (Table E.)

To equalize exchange depreciation use Senator Smoot's suggested plan, i. e., add 1 per cent depreciation to the new basic rates for each per cent of depreciated currency of any foreign country.

Then, as foreign countries improve their financial conditions, their rates are lowered. By this method, when we reach normalcy and production costs decline, the American manufacturer will not be left with a rate far in excess of his needs.

Why 60 per cent ad valorem rates now when from the year 1890—McKinley bill—specific rates were adopted for the purpose of preventing undervaluations and proved an unqualified success, enabling the honest importer to enter the field of competition; subsequently, in the Dingley and Aldrich-Payne bills, the penalty clause, \$5 per dozen, was omitted.

Your attention is directed to the fluctuations in exchange during the past year—francs advanced from .0585 to .0923, and if the same proportionate improvement continues it will not be a long time before they are valued at 12 cents. (Table F.)

Whereas under the 60 per cent catchall, which is obviously designed for present-day conditions, a return to normalcy in currency rates would practically treble the duty rates as shown and penalize foreign countries for improving their financial conditions. Is this not inviting retaliatory measures?

We must think not only of the public, we must think internationally on the subject. Is it fair to strike a mortal blow on our late allies, viz, France, England, Italy—splendid customers of ours, with whom

the balance of trade in our favor in the year 1921 amounted to \$1,524,350,708? (Table G.)

The largest importations of leather gloves, whether we calculate in dollars or from the time dozens were recorded in Government statistics, you will find it is from France the greater number of gloves are imported. (Tables H-I.)

My estimate of costs and tariff rates shows how unreasonably the duties increase, so that under the Senate Finance Committee rates the penalty France must pay in customs duty is to be measured by the present depreciated currency of Germany. (Table F.)

How long do you suppose it will be before the schedules proposed will have the same effect on women's and children's gloves as shown by retail selling prices per pair for men's Mocha 1-clasp PXM?

The erection of the tariff barrier means practically turning over the total quantity of women's and children's gloves to be made here, and in view of the startling figures shown by the census—population increasing; persons engaged in the industry decreasing—how can we possibly make them? Aside from the facts revealed by schedules it can be shown by explanatory details connected with the industry that it can not be accomplished excepting by grant of an absolute monopoly and depriving both men and women their freedom of choice in selecting gloves for their comfort.

It is certainly not your intention to bring this result about unless convinced that it is best for the industry, for the public, international relations, and fair play.

Is it not better to keep a well-balanced proportion, such as we have had in all these years between American and foreign-made gloves, granting both men and women freedom of choice?

This is the broad outline of the subject; the remainder is a matter of detail. Should the opportunity be offered to explain details in connection with the figures presented, pray command.

Yours truly,

A. B. CAMPBELL.

THE ASSOCIATION OF GLOVE IMPORTERS,
New York, August 2, 1922.

Hon. D. I. WALSH,
United States Senate, Washington, D. C.

DEAR SIR: I would ask your attention to the inclosed reprint of recent article and of an editorial published in the Journal of Commerce and Commercial Bulletin, of New York, both relating to the proposed rates on women's leather gloves as provided for in paragraph 1433 of the pending tariff bill. The article was prepared by the president of the association, Mr. Thomas R. Lewis.

This article shows clearly, and with respect to evidence submitted to the Committee on Finance of the Senate—referred to on page 4 of the inclosed reprint—that the proposed duties would be prohibitive as to the importation of women's lightweight leather gloves, made of leather which has been dyed by the process of brushing, and that such gloves can not be manufactured successfully in the United States.

The result of the adoption of the committee rates would be that the women of the United States would be unable to obtain the lightweight leather gloves which to them are articles of apparel positively necessary for certain seasons and occasions. They would be compelled to use the heavier gloves made of leather which has been dyed by the process of dipping instead of the lighter gloves made of brushed leather to which they have become accustomed and which are the only gloves suited to their needs at the seasons and occasions referred to.

It is certain that to adopt the committee rates and compel the American women to buy an article they do not want and at the same time pay much higher prices for it would bring intense resentment and strong, persistent protest from the women who buy gloves. It has never been considered that the principle of protection to American industry calls for prohibition of the importation of articles that can not be produced in the United States and wherein consequently there is no American industry to protect. The object of such prohibitive duties could only be to drive the American people into the use of some other and less desirable substitute. I would respectfully submit that such a proceeding would be an abuse and distortion of the principle of protection, and that the infliction of such an injury upon the American women at this time, when they are demanding lower prices, would go far toward discrediting and breaking down the doctrine of protection.

Yours very truly,

A. J. F. GOESSLING, Secretary.

[Reprinted from the Journal of Commerce and Commercial Bulletin, of New York, May 8, 1922.]

PROHIBITIVE TARIFF ON MANY CLASSES OF GLOVES—WOMEN'S AND CHILDREN'S LEATHER GLOVES CAN NOT BE MANUFACTURED IN THE UNITED STATES.

(By Thomas R. Lewis, president of the Association of Glove Importers of the United States.)

The tariff bill (H. R. 7456), as reported to the United States Senate by the Committee on Finance, provides for rates of duty on leather gloves which are as follows:

Men's gloves, not over 12 inches in length, \$5 per dozen pairs.

Women's and children's gloves, not over 12 inches in length, \$4 per dozen pairs.

For each inch in length in excess thereof, 50 cents per dozen pairs.

In addition thereto, on all the foregoing the following cumulative duties:

When lined with cotton, wool, or silk, \$2.40 per dozen pairs.

When lined with leather or fur, \$4 per dozen pairs.

When embroidered or embellished, 40 cents per dozen pairs.

Provided, That all the foregoing shall pay a duty of not less than 60 nor more than 70 per cent ad valorem.

Thomas R. Lewis, president of the Association of Glove Importers of the United States, says:

"The domestic manufacturers of leather gloves are chiefly located in Gloversville and neighboring towns in Fulton County, N. Y. They supply practically all of the heavy working gloves and from 85 to 90 per cent of the men's leather gloves sold in the United States, and also command the market in about the same proportion in women's and children's leather gloves made of leather which has been dyed by the process of dipping or plunging. These are known as Cape and Mocha gloves, and are well distinguished in the trade from the women's gloves made from the lighter and more delicate skins which can be dyed only by the process of brushing.

"Women's and children's lightweight leather or kid gloves can not be successfully manufactured in this country, and the greatest fault of the above provisions in the pending tariff bill as reported to the

Senate is that they will establish practically an absolute embargo upon the importation of gloves that women in moderate circumstances all over the country find it necessary to have and which can not be produced here. Unless these provisions are amended, the result will be that women and children will be compelled to use heavier and less suitable leather gloves, at much higher prices, in place of the imported lightweight kid gloves which they have been accustomed to wear for certain seasons and circumstances, because of the greater delicacy of texture, style and finish of these lightweight gloves.

"The lightweight kid gloves are necessities for women and children, and this was recognized at the time of the enactment of the war revenue act of 1918, when, notwithstanding the extraordinary need for revenue which led to taxes on sales of luxuries wherever possible, no such luxury tax was put on women's kid gloves. The present need for revenue from tariff duties has been sacrificed in the matter of gloves for the purpose of forcing the women of the United States to go without the lightweight kid gloves heretofore imported from France and other countries and to pay tribute to a few manufacturers in one county of one State.

IMPOSSIBILITY OF MANUFACTURING HERE THE LIGHTWEIGHT KID GLOVES FOR WOMEN.

"These few manufacturers have had the benefit of high protective duties continually for many years and during the war were favored by conditions which curtailed the importation of women's kid gloves, but they have completely failed to manufacture the lightweight leather gloves of the style and finish that American women insist upon wearing; and it is thoroughly well known in the glove trade that such gloves can not be made in this country, and that this fact has been conclusively established by the unsuccessful outcome of a number of attempts.

"V. Perrin & Co., the largest manufacturers of leather gloves in the world, with factories in France, Canada, and the United States, and with a large production in the United States of women's gloves made of leather dyed by dipping, have not been able to produce here any appreciable quantity of women's gloves made of the lighter leather dyed by brushing, even when importations from France were impossible because of war conditions. The well-known wholesale dry goods company, Mills & Gibb, established a factory in Fulton County, N. Y., during the war for the purpose of making women's lightweight kid gloves, and after a large expenditure of money were obliged to discontinue the attempt because the product could not be made satisfactorily. Testimony of these facts was submitted to the members of the Senate Finance Committee at Washington.

WHY THEY ARE MADE SUCCESSFULLY ABROAD.

"Such gloves are made successfully in certain foreign countries, France especially, because the lightweight skins have been obtainable there for many generations, and greater skill and care have been developed in the labor of dyeing and handling the skins and making the gloves. In France all the work incident to the making of women's kid gloves is the result of the experience of a great many years. The industry is, for the most part, a village industry, carried on largely by the same families generation after generation, a great deal of the work being done in the homes of the people.

"Years of such training are required before the most careful labor can acquire the skill necessary for making lightweight gloves. Our labor in the United States has never developed the patience and skill necessary to make such gloves. In fact, skilled artisans have been brought into this country from France at various times to make from imported skins the same sort of gloves they made in their native country, but the result has been that, away from the habits and customs of their native villages, they could not maintain their former skill and care and could not make gloves of the desired quality here because of lack of collaboration by different allied operators, such as exist only in centers where the industry originated and where it constitutes the livelihood of a large percentage of the inhabitants.

FRANCE IN NEED OF AMERICAN PRODUCTS.

"In a great many States in our country factories and workers are in complete or partial idleness because there is not a sufficient demand for the machinery or other articles which they produce. France needs and would buy a great deal more of such articles if she could only pay for them, but France can only pay for goods produced here by sending to us certain goods produced there. If our tariff law prohibits the importation from France of gloves for women such as can not be produced here, it is not protection to a competing American industry which does not exist, nor to American labor which is not now employed in such industry.

"Prohibiting the importation of women's light-weight leather gloves is beyond anything like protection. It is simply giving a license to Mr. Littauer and his favored friends to make the women in all parts of the United States pay enormously higher prices for gloves of heavier texture. It will make these favorites of the legal embargo very much richer, and all this will be paid for by the millions of women who now find it very difficult to provide themselves and their children with necessities, and by the hard-pressed workers in the many factories which ought to sell more of their products to France and would do so if they could get fair play.

THE HIGHER PRICES THAT AMERICAN WOMEN MUST PAY.

"If the Littauer glove rates are enacted, the women's kid glove known as P. K. 2-clasp, now retailing at \$3.50 per pair, must be advanced in price not less than \$1.25 per pair. The existing rate of duty is \$2.25 per dozen. The Littauer duty would be \$10.27 per dozen, or almost five times the present duty, and the increase in the duty over the present rate would be 356 per cent.

"Similarly, the women's 16-button Mousquetaire glove, now retailing at \$6 per pair, must be advanced in price by \$2.50 per pair, and hence be sold at retail for \$8.50 per pair. The existing rate of duty is \$4.50 per dozen. The Littauer duty would be \$19.53 per dozen, an increase over the present rate of 334 per cent.

"It is well known that women will not and can not pay such high prices for gloves, and the sale of the imported gloves will be practically prohibited. This is Mr. Littauer's purpose. He and the other manufacturers will then advance the prices of their gloves to the limit. The effect of this upon the public mind, when it happens, can be well understood in advance. This outrageous imposition for Mr. Littauer's advantage is to be perpetrated upon the millions of women buyers at a time when they need, and are urgently asking for, lower prices for gloves, and when all the women have votes, in addition to the votes of the men folks of their households, who are also demanding that the cost of living be brought down.

AD VALOREM DUTIES ON GLOVES ARE IMPRACTICABLE.

"The Littauer duties as written into the pending bill, quoted above, contain a provision that the gloves as designated 'shall pay a duty of not less than 60 nor more than 70 per cent ad valorem.' This provision is the joker, and, in addition to the lack of a reasonable classification permitting the importation of the brushed leather (light weight) kid gloves, will make the Littauer schedule most completely prohibitive and establish the domestic monopoly sought. Moreover, it will place the glove schedule again on an ad valorem basis, rather than a specific basis. This will bring serious administrative difficulties. The Government, in addition to the loss of revenue through the prohibition of importations, will have to contend with expensive disputes about values.

"Ad valorem duties on leather gloves were tried out thoroughly a number of years ago and found to be entirely impracticable. Since the leather in the gloves is a natural product that is constantly varying and fluctuating in quality and value, it is not possible to closely and fairly determine the actual value of the gloves. The efforts to collect ad valorem duties resulted in so much confusion and difficulty, with expensive and vexatious litigation, that the appraisers and collectors of customs about 25 years ago demanded that the duties be changed from ad valorem to specific rates. This was done, and specific rates have prevailed ever since, under the Dingley and Payne-Aldrich tariffs, as well as under the existing tariff law, and have been entirely successful.

"I believe I can say without fear of contradiction that when the leather-glove duties were under consideration by the Senate Finance Committee it developed that practically all the members of that committee, as well as the Treasury experts and customs appraisers who were assisting the committee, were convinced that it would be entirely impracticable to apply ad valorem duties to leather gloves.

"In this matter of leather gloves, of which I am speaking, there is no opposition on our part to duties which shall be fully protective to the established American industry. What we are contending against is an indefensible abuse that is sought to be committed in the name of a protective tariff, and which, if it should be consummated, would discredit and injure the protective system and the great political party that champions it.

"In this paragraph on leather gloves ad valorem duties should be stricken out and specific rates imposed. An amendment has been proposed providing for rates on men's gloves and women's and children's gloves made of leather dyed by the process of dipping or plunging, protecting the American manufacturer in a far greater measure than in the Payne-Aldrich tariff, known to be the highest in the history of our country. A separate rate has been proposed for women's and children's gloves that can not be produced here, so that it will be possible for the lightweight kid gloves to come into this country, thereby yielding revenue for the United States Treasury. The public welfare calls for such an amendment, which has been introduced in the Senate by Senator LADD, of North Dakota, a prominent and very able Republican, who is a leading advocate of a protective tariff that will be just and well balanced."

[Editorial reprinted from the Journal of Commerce and Commercial Bulletin, of New York, May 12, 1922.]

TARIFF JOKERS—No. 5.

The tariff bill (H. R. 7456), as reported to the United States Senate by the Committee on Finance, provides for rates of duty on leather gloves which are as follows:

Men's gloves not over 12 inches in length, \$5 per dozen pairs.
Women's and children's gloves not over 12 inches in length, \$4 per dozen pairs.

For each inch in length in excess thereof, 50 cents per dozen pairs.
In addition thereto, on all the foregoing the following cumulative duties:

When lined with cotton, wool, or silk, \$2.40 per dozen pairs.
When lined with leather or fur, \$4 per dozen pairs.
When embroidered or embellished, 40 cents per dozen pairs.
Provided, that all the foregoing shall pay a duty of not less than 60 nor more than 70 per cent ad valorem.

In this paragraph, which has formed a bone of contention for years past, there now reappears an old, familiar friend. This is found in the final clause respecting an ad valorem rate to be charged upon "all the foregoing." The joker quality of it lies in the fact that, inasmuch as it applies to all gloves, including those that are competitive and those that can not be produced at all in this country, and are not classified in such a way as to permit proper grouping, it provides a prohibitive tariff rate. The increase in rate, if made effective, is reckoned by experts as about 334 per cent over existing levels.

It was the glove schedule which turned the stomach of President Taft just at the last moment when the conference committee was in final session over the Payne-Aldrich tariff in 1909. He sent back—so it was then asserted—the projected duties, which contained a joker of this same sort, for revision, with a stern message which portended a veto if the offending provision were not modified. Will President Harding do likewise if this joker hides its own up to the last?

THE ASSOCIATION OF GLOVE IMPORTERS
OF THE UNITED STATES,
New York, April 21, 1922.

PROPOSED DUTY INCREASE 350 PER CENT.

Through the efforts of Mr. Lucius Littauer, aided by political influence, a prohibitive glove tariff on women's kid gloves has been presented to the United States Senate. Littauer's glove schedule will in no way protect an American industry, as women's lightweight kid gloves have never been manufactured successfully in our country.

The glove trade all know that the American manufacturer is organized to produce cape and mocha gloves, and the importers as fair-minded men agree that the domestic manufacturers should have protection on the class of gloves they can manufacture.

A committee was sent to Washington to interview Senator CALDER, who had charge of the glove schedule, and this New York Senator was convinced that the rates of duty on women's kid gloves as proposed to him by Mr. Littauer were necessary for the protection of the American maker until the importers' committee pointed out to him the difference between the American production and the imported article.

The domestic manufacturers had submitted as samples to Senator CALDER about 15 pairs of women's gloves, the type of glove they could manufacture; each and every pair were cape and mocha gloves, which are made of dipped leather, whereas women's imported lightweight kid gloves are made of brushed leather.

When the importers' committee pointed out to Senator CALDER the difference between American gloves made of dipped leather and imported gloves made of brushed leather he, Senator CALDER, admitted the difference was quite apparent and requested the importers' committee to draw up an amendment whereby the domestic industry would be protected on the type of glove they could make and still permit the importation of women's lightweight kid gloves. An amendment was drawn up and submitted to Senator CALDER proposing one rate on gloves made of dipped leather and another rate for lightweight gloves made of brushed leather, and both rates were higher than the Payne-Aldrich schedule, which were the highest ever enacted.

When Littauer heard of the amendment he demanded that it be entirely ignored, and the glove rates were written in the bill without the amendment, exactly as dictated by Mr. Littauer.

The time has now arrived to arouse the public as to what has taken place. Are we merchants, both retail and wholesale, to sit by idly and allow this one man to continually dictate the glove tariff? Mr. Littauer has been before the public a great many years on tariff matters, and it is high time he should be eliminated from dictating the glove rates of duty. The following is an example of what will happen if the Littauer glove rates finally become a law:

Women's P. K. 2-clasp, now retailing at \$3.50 per pair:
Per dozen.
Present rate of duty----- \$2.25
Littauer rate of duty----- 10.27

Increase over present rate, 356 per cent.
Women's 16-button mousquetaire, retailing at \$6 per pair:
Per dozen.
Present rate of duty----- \$4.50
Littauer rate of duty----- 19.53

Increase over present rate, 334 per cent.
These rates mean an absolute embargo on the importation of kid gloves.

LITTAUER'S OBJECT IS SELF-EVIDENT.

This is of such vital interest to your glove department that we urge you to have the inclosed petitions signed and forwarded direct to the Senators of your State with a letter from you voicing an emphatic protest against these outrageous rates, asking your Senators to vote for the glove duty amendment, which will give ample protection to American manufacturers (on gloves they can make), and at the same time a separate rate on women's lightweight kid gloves, so that their importation will not be prohibited.

Yours very truly,

T. R. LEWIS, President.

The next amendment of the Committee on Finance was, in paragraph 1433, on page 197, line 10, to strike out "\$4" and insert in lieu thereof "\$5," so as to read:

Men's gloves not over 12 inches in length, \$5 per dozen pairs.

Mr. WALSH of Massachusetts. I move that "\$5" be stricken out and "\$3" be inserted in place thereof.

I may say that that is a higher duty than was levied under the Underwood law, and it corresponds more with the duties which have been levied in the past, previous to the proposal of the rates named in this bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts to the committee amendment.

The amendment to the amendment was rejected.

The amendment of the committee was agreed to.

The next amendment was, on page 197, line 11, to strike out "\$3" and insert in lieu thereof "\$4," so as to read:

And women's and children's gloves not over 12 inches in length, \$4 per dozen pairs.

Mr. WALSH of Massachusetts. I move to strike out "\$4" and insert in lieu thereof "\$2."

Mr. WADSWORTH. That is the Underwood rate.

The amendment to the amendment was rejected.

The amendment was agreed to.

Mr. MCCUMBER. I think the Senator from Utah desires to offer another amendment to paragraph 1433.

Mr. SMOOT. I move in paragraph 1433 the amendment which I send to the desk, and I will make an explanation of it when it has been stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The ASSISTANT SECRETARY. The Senator from Utah moves to add at the end of the paragraph, after line 23, the following:

Gloves made wholly or in chief value of leather made from horsehide or pigskin, whether wholly or partly manufactured, 25 per cent ad valorem.

Mr. SMOOT. I simply want to say that if this amendment is agreed to, then I shall offer an amendment to the free list, when we reach that, placing gloves made wholly or in chief value of leather from hides of cattle of the bovine species on the free list.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah.

The amendment was agreed to.

Mr. MCCUMBER. I ask now for the consideration of paragraph 1435a, which is an additional paragraph, and I ask that, inasmuch as we have placed hides upon the free list, the Senate committee amendment be disagreed to.

The PRESIDING OFFICER. The Secretary will state the amendment.

The ASSISTANT SECRETARY. On page 198, after line 4, the committee proposed to insert the following paragraph:

PAR. 1435a. Harness, saddles, and saddlery, in sets or parts, except metal parts for any of the foregoing, finished or unfinished, 35 per cent ad valorem.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. McCUMBER. On page 223 I ask that the Senate disagree to the committee amendment beginning on line 16.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The ASSISTANT SECRETARY. On page 223 the committee proposes to strike out paragraph 1582, as follows:

PAR. 1582. Hides of cattle, raw or uncured, or dried, salted, or pickled.

Mr. McCUMBER. Senators will understand that this was in the free list and the committee proposed to strike it out. I ask now that the Senate disagree to the committee amendment, which will place the hides back on the free list.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was rejected.

Mr. McCUMBER. On page 224 I ask that the committee amendment, beginning on line 19, be disagreed to.

The PRESIDENT pro tempore. The amendment will be stated.

The ASSISTANT SECRETARY. On page 224, after line 18, the committee proposes to strike out paragraph 1600, as printed in the House bill, as follows:

PAR. 1600. Leather: All leather not specially provided for; harness, saddles, and saddlery, in sets or parts, except metal parts, finished or unfinished; leather cut into shoe uppers, vamps, soles, or other forms suitable for conversion into manufactured articles; and leather shoe laces, finished or unfinished.

Mr. WALSH of Massachusetts. The action requested by the Senator would put harness and saddlery on the free list?

Mr. McCUMBER. Yes; it would put leather not specially provided for, including saddles, and so forth, made of leather, also upon the free list.

The PRESIDENT pro tempore. The question is upon agreeing to the committee amendment.

The amendment was rejected.

Mr. McCUMBER. On page 225 I ask that the Senate disagree to the committee amendment beginning on line 1.

The PRESIDENT pro tempore. The amendment will be stated.

The ASSISTANT SECRETARY. On page 225 the committee proposed to strike out lines 1 and 2, as follows:

PAR. 1601. Boots and shoes made wholly or in chief value of leather.

Mr. WALSH of Massachusetts. The action the Senator requests will restore boots and shoes to the free list?

Mr. McCUMBER. Yes; it restores boots and shoes to the free list.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was rejected.

Mr. SMOOT. Mr. President, I desire to offer an amendment at this time. On page 222 I move to insert a new paragraph, to read as follows:

PAR. 1573a. Gloves made wholly or in chief value of leather made from hides of cattle of the bovine species.

Mr. STERLING. The effect of that is to put the articles named on the free list?

Mr. SMOOT. On the free list.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Utah.

The amendment was agreed to.

Mr. McCUMBER. Mr. President, this completes the matters which, under the unanimous-consent agreement, we were compelled to dispose of to-day. The next paragraph which we will present to the Senate will be the paragraph relating to presidential powers. The majority members of the committee will meet to-night after we close the session to-day, and we shall try to have it remodeled and printed to-night, so that it will be on the desks of Senators in the morning.

Mr. SPENCER submitted an amendment intended to be proposed by him to the pending bill, which was ordered to lie on the table and to be printed.

PETITIONS AND MEMORIALS.

Mr. WARREN presented resolutions of the Lions Club, of Rock Springs, and the town councils of Wamsutter and South Superior, all in the State of Wyoming, protesting against any action tending to set aside the United States Supreme Court decree divorcing the Central Pacific Railway from the Southern

Pacific Co., which were referred to the Committee on Interstate Commerce.

Mr. WILLIS presented petitions of sundry citizens of Cincinnati, Uhrichsville, Dennison, Marion, Columbus, Chesapeake, and Marietta, all in the State of Ohio, praying that only a moderate duty be imposed in the pending tariff bill on lightweight kid gloves, which were referred to the Committee on Finance.

BILLS INTRODUCED.

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

By Mr. WILLIS:

A bill (S. 3899) granting a pension to Ella Williamson (with accompanying papers); to the Committee on Pensions.

By Mr. HARRELD:

A bill (S. 3900) for the relief of Washington Gill Squires; to the Committee on Military Affairs.

RECESS.

Mr. McCUMBER. If there is nothing more to be presented at this time, I move that the Senate take a recess until tomorrow at 11 o'clock.

The motion was agreed to, and (at 8 o'clock and 5 minutes p. m.) the Senate took a recess until to-morrow, Thursday, August 10, 1922, at 11 o'clock a. m.

SENATE.

THURSDAY, August 10, 1922.

(Legislative day of Thursday, August 3, 1922.)

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

THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7456) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes.

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

The PRESIDENT pro tempore. The Secretary will call the roll.

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

Ashurst	Gerry	Moses	Spencer
Ball	Gooding	Myers	Stanfield
Brandegee	Hale	New	Stanley
Bursum	Harrel	Newberry	Sterling
Calder	Harris	Nicholson	Sutherland
Cameron	Heflin	Oddie	Swanson
Capper	Jones, N. Mex.	Overman	Townsend
Caraway	Jones, Wash.	Pepper	Trammell
Culberson	Kendrick	Phipps	Underwood
Cummins	Keyes	Pomerene	Wadsworth
Curtis	Ladd	Ransdell	Walsh, Mont.
Dial	Lenroot	Rawson	Warren
Dillingham	Lodge	Sheppard	Watson, Ga.
Edge	McCumber	Shortridge	Watson, Ind.
Ernst	McKellar	Simmons	Willis
Fletcher	McLean	Smith	
Frelinghuysen	McNary	Smoot	

Mr. CURTIS. I wish to announce that the Senator from Minnesota [Mr. NELSON] is absent on account of a death in his family.

Mr. UNDERWOOD. I wish to announce that the Senator from Nevada [Mr. PITTMAN] is absent on account of illness in his family.

The PRESIDENT pro tempore. Sixty-six Senators have answered to their names. There is a quorum present.

Mr. KENDRICK. Mr. President, I present a telegram transmitting a resolution adopted by the Wyoming Druggists' Association at a recent convention in reference to the chemical schedule of the bill which we have under consideration. I ask that the telegram may be read at the desk and referred to the Committee on Finance.

The PRESIDENT pro tempore. Without objection, the Secretary will read as requested.

The telegram was read and referred to the Committee on Finance, as follows:

[Western Union telegram.]

LARAMIE, WYO., August 7, 1922.

Hon. J. B. KENDRICK,

United States Senate, Washington, D. C.:

Our committee as a whole in convention assembly has unanimously adopted the following resolutions and requested that you use all possible influence in the proper direction there, as the retail druggists of the country recently have been charged with "profiteering" on the floor of the United States Senate: