

SENATE.

WEDNESDAY, June 9, 1909.

The Senate met at 10.30 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington.
Mr. JEFF DAVIS, a Senator from the State of Arkansas, appeared in his seat to-day.

The Journal of yesterday's proceedings was read and approved.

PETITIONS AND MEMORIALS.

The PRESIDENT pro tempore presented a joint resolution of the legislature of Wisconsin, which was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

Joint resolution memorializing Congress to enact a law providing for physical valuation of railroads.

Resolved by the assembly (the senate concurring), That the Congress of the United States be requested to enact a law providing for the physical valuation of all railroad property to form the basis for fixing the rates and charges for service by railroads.

Resolved, That the secretary of state is hereby directed to forward a copy of this resolution to the President of the United States and to each Member of the Congress thereof.

L. H. BANCROFT,
Speaker of the Assembly.

C. E. SHAFFER,
Chief Clerk of the Assembly.

JOHN STRANGE,
President of the Senate.

F. E. ANDREWS,
Chief Clerk of the Senate.

Mr. DICK presented petitions of sundry citizens of Pleasantville, Findlay, and Toledo, all in the State of Ohio, praying that hides be placed on the free list, which were ordered to lie on the table.

Mr. PERKINS presented a memorial of members of the Commercial Art Company's engraving-room chapel, of California, and a memorial of sundry photo-engravers of California, remonstrating against the imposition of any duty on news print paper and wood pulp in the new tariff bill, which were ordered to lie on the table.

He also presented a memorial of the Pacific Rolling Mill, of San Francisco, Cal., and the memorial of Edward J. Schneider, contracting manager of the American Bridge Company, of New York, remonstrating against the proposed duty on structural iron imported into the United States, which were ordered to lie on the table.

Mr. SCOTT presented a memorial of sundry citizens of Wheeling, W. Va., remonstrating against any increase of the duty on print paper and wood pulp, as proposed in the so-called "Payne tariff bill," which was ordered to lie on the table.

Mr. STEPHENSON presented a joint resolution of the legislature of Wisconsin, which was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

Joint resolution memorializing Congress to enact a law providing for physical valuation of railroads.

Resolved by the assembly (the senate concurring), That the Congress of the United States be requested to enact a law providing for the physical valuation of all railroad property to form the basis for fixing the rates and charges for service by railroads.

Resolved, That the secretary of state is hereby directed to forward a copy of this resolution to the President of the United States and to each Member of the Congress thereof.

L. H. BANCROFT,
Speaker of the Assembly.

C. E. SHAFFER,
Chief Clerk of the Assembly.

JOHN STRANGE,
President of the Senate.

F. E. ANDREWS,
Chief Clerk of the Senate.

Mr. STEPHENSON presented a joint resolution of the legislature of Wisconsin, which was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Joint resolution memorializing Congress relating to federal cooperation in the work of road improvement.

Whereas we believe that the adoption of a policy of federal aid for road construction is a most important step toward the establishment of a complete system of improved roads in all sections of the country, and that the cooperation of the National Government in this matter would be of great assistance to the various state, county, and township road authorities in placing the work of road improvement on a permanent and scientific basis; and

Whereas we would submit that the improvement of the country's highways deserves a share in the annual appropriations by Congress equally with the improvement of our waterways, and that it is only fair and reasonable that a part of the revenues derived from taxes paid by the people as a whole should be devoted to this purpose, thus aiding in the betterment of conditions affecting trade and commerce in all sections of the country:

Resolved by the assembly (the senate concurring), That we respectfully solicit the Congress of the United States, asking for the enactment of legislation creating a national highways commission, and making an

appropriation for aiding in the improvement and maintenance of the public roads at the present session of Congress, so that the policy of federal cooperation in the work of road improvement can be inaugurated at the earliest possible date.

L. H. BANCROFT,
Speaker of the Assembly.

C. E. SHAFFER,
Chief Clerk of the Assembly.

JOHN STRANGE,
President of the Senate.

F. E. ANDREWS,
Chief Clerk of the Senate.

Mr. STEPHENSON presented a joint resolution of the legislature of Wisconsin, which was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

Joint resolution memorializing Congress to enact a law to prohibit railroads from increasing their rates and charges except upon notice.

Resolved by the assembly (the senate concurring), That the Congress of the United States is hereby requested to enact a law providing that the rates or charges of railroads shall not be increased except upon notice of any proposed increase filed with the Interstate Commerce Commission, and published in each State affected thereby, and upon such hearing as the Interstate Commerce Commission may, upon petition or its own motion, order, and that no increase of rates or charges shall go into effect unless said commission shall so order after such hearing.

Resolved, That the secretary of state be, and he is hereby, instructed to forward a copy of this resolution to the President of the United States and to each Member of the Congress thereof.

L. H. BANCROFT,
Speaker of the Assembly.

C. E. SHAFFER,
Chief Clerk of the Assembly.

JOHN STRANGE,
President of the Senate.

F. E. ANDREWS,
Chief Clerk of the Senate.

Mr. STEPHENSON presented a petition of the Ladysmith Commercial Club, of Ladysmith, Wis., praying for the retention of the duty on print paper as provided in the Dingley tariff bill, which was ordered to lie on the table.

REPORT OF A COMMITTEE.

Mr. FRYE, from the Committee on Commerce, to whom was referred the bill (S. 2493) to make Scranton, in the State of Mississippi, a subport of entry, and for other purposes, reported it without amendment and submitted a report (No. 5) thereon.

BILLS INTRODUCED.

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

By Mr. CHAMBERLAIN:

A bill (S. 2555) granting a pension to William Stephens;

A bill (S. 2556) granting a pension to Mary A. Jordan;

A bill (S. 2557) granting an increase of pension to Margaret Dempsey;

A bill (S. 2558) granting a pension to Gertrude L. Bradley;

A bill (S. 2559) granting an increase of pension to Leonard Briggs;

A bill (S. 2560) granting an increase of pension to James H. Lewis; and

A bill (S. 2561) granting a pension to Amos H. Hampton; to the Committee on Pensions.

By Mr. BRADLEY:

A bill (S. 2562) granting an increase of pension to William R. Williams; to the Committee on Pensions.

By Mr. FRYE:

A bill (S. 2563) to require apparatus and operators for radio-communication on certain ocean steamers; to the Committee on Commerce.

By Mr. LODGE:

A joint resolution (S. J. R. 38) fixing the terms of court in the Philippine Islands; to the Committee on the Philippines.

AMENDMENT TO THE TARIFF BILL.

Mr. SCOTT submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, which was ordered to lie on the table and be printed.

SUGAR-TRUST SUIT.

Mr. CULBERSON. Mr. President, at the last session of the Congress the Senate, on my motion, adopted a resolution, directed to the Attorney-General, calling for correspondence between that department and the Pennsylvania Sugar Refining Company, making complaint to the department against the American Sugar Refining Company for a violation of the Sherman anti-trust law.

That resolution was answered and the correspondence was printed. It indicated that complaint had been made to the Department of Justice, and that that department had failed to take action against the American Sugar Refining Company,

commonly called the "sugar trust," for a violation of the Sherman law with reference to the absorption of the Pennsylvania company.

I also presented at a different time a decision of the United States circuit court for the southern district of New York, concurred in by three or four of the circuit judges, holding on demurrer in a suit between the Pennsylvania Sugar Refining Company and the American Sugar Refining Company that the latter had violated the antitrust law. Notwithstanding this, no action on the part of the Department of Justice against the sugar trust for violating the law has been taken, so far as we have any information.

Yesterday, according to the press reports this morning, the sugar trust adjusted this suit with the Pennsylvania Sugar Refining Company, it paying, according to the papers, \$10,250,000 in a suit brought against it under the Sherman antitrust law for treble damages.

In view of the press of business here, I do not believe I will ask the Senate to stop to have the account of this adjustment read, but I do ask that the account of it, which appears in the New York World of this morning, may be printed in the RECORD, so that we can keep the run of this transaction, for I believe the American people will await with interest the action or non-action of the Department of Justice under the circumstances.

Mr. ALDRICH. I suggest to the Senator to have it printed as a document, if that will be agreeable to him. We really ought not to encumber the RECORD with articles of this kind.

Mr. CULBERSON. It is not a long statement, I will say to the Senator, and I do not believe it is long enough to make a document.

Mr. ALDRICH. I will not make any objection if the Senator desires to have it printed in the RECORD.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas? The Chair hears none, and the order is made.

The matter referred to is as follows:

SUGAR TRUST HAS SETTLED SUIT FOR THIRTY MILLIONS—ADMITS CONSPIRACY CHARGE WHEN IT MAKES TERMS WITH PENNSYLVANIA SUGAR REFINING COMPANY—COURT'S DECISIONS WENT AGAINST ITS CONTENTIONS—TRIAL SUDDENLY ENDS WHEN THE CASE IS ABOUT TO BE GIVEN TO JURY.

The American Sugar Refining Company settled out of court last night the case brought against it for \$30,000,000 damages by the Pennsylvania Sugar Refining Company, of Philadelphia.

For more than two weeks the trust, represented by Lawyers John G. Johnson, of Philadelphia; Henry W. Taft, John G. Milburn, W. L. Guthrie, Francis H. Kinnicutt and others, had fought an equally imposing array of counsel for the independent sugar company, headed by ex-Governor Frank S. Black and including H. Snowden Marshall, John W. Hutchinson, Jr., Joseph De Forest Junkin, of Philadelphia, and Samuel Untermyer. Judge Holt and a jury in the United States district court had listened to the story of what the plaintiff alleged was a conspiracy in restraint of trade.

STARTS WITH \$1,250,000 LOAN.

Witnesses testified that Adolph Segal, controlling power of the Pennsylvania Sugar Refining Company, borrowed from Gustav A. Kissel \$1,250,000, for which he gave as security 26,000 shares of the company and a voting trust certificate for the stock, which was to run until the loan was repaid.

With the power thus conferred upon him Kissel installed himself and three clerks as directors of the independent sugar company, and that giving control of the board of directors he passed a resolution that the Pennsylvania's refinery, then nearing completion, be not opened until further order of the board.

That resolution, the plaintiff claimed, was drafted by John E. Parsons, counsel for the sugar trust. It was shown that Kissel was an agent for the trust.

Messrs. Kissel, Parsons, and the three clerks, Twigg, Robinson, and Werner, were made codefendants with the trust on the conspiracy charge, but on motion of Mr. Kinnicutt, appearing especially in their behalf, they were dismissed from the complaint late yesterday afternoon by Judge Holt.

As to the other defendants, the court ruled, after lengthy arguments by Henry W. Taft, for the trust and for Parsons, and by Mr. Guthrie, for Kissel, that their motion to direct the jury to bring in a verdict for the defendants was not to be sustained.

BLACK SAYS SETTLEMENT IS NEAR.

Then Judge Holt asked counsel on each side how much time they would want this morning for their summing up. Ex-Governor Black said he believed the time of the court and jury would only be taken up unnecessarily this morning, because he expected a settlement would be reached.

Following the adjournment there were two conferences of counsel. One was at the offices of Black & Peck, No. 170 Broadway. There were present in addition to counsel for the plaintiff company, George H. Earle, Jr., of Philadelphia, receiver for the Pennsylvania Sugar Refining Company, the man at whose instance the litigation was started, and Adolph Segal.

At the offices of Carter, Ledyard & Milburn, No. 54 Wall street, John G. Milburn, John G. Johnson, and Henry W. Taft were the principal conferees.

Shortly after 6 o'clock the conference in ex-Governor Black's office broke up, with the announcement that though a settlement had been reached they could not give out its terms until ratified by the Pennsylvania court which appointed Earle receiver.

TRUST BEATEN ON THIS POINT.

In arguments presented to the court yesterday afternoon by Henry W. Taft, the sugar trust's counsel dwelt upon the point that the same aspects of the case having already been presented in the New Jersey

litigation, they could not be relitigated before the federal court in New York. Judge Holt ruled that, as the litigation in New Jersey was in a state court, it could not be held as a bar to litigation in the federal court here, based on the conspiracy charge in restraint of trade.

Mr. Taft, in arguing for a verdict in favor of the defendants, based his contention on the proposition that the complaint failed to show any violation of the Sherman law. The plaintiff company, he said, had not been engaged in interstate commerce. In behalf of Mr. Parsons Mr. Taft declared that whoever had "lugged him into the case took a heavy responsibility," as the evidence failed to connect Mr. Parsons with the alleged conspiracy. Mr. Parsons, he said, had acted within his rights as counsel to the American Sugar Refining Company.

If the Pennsylvania court that appointed Earle receiver of the Pennsylvania Sugar Refining Company fails to ratify the settlement, the case will have to be retried.

Mr. CULBERSON. I will accept the suggestion of the Senator from Rhode Island, and have the article printed as a document as well as in the RECORD.

The PRESIDENT pro tempore. The Senator from Texas also asks that the matter may be printed as a Senate document (S. Doc. No. 87). Is there objection? The Chair hears none, and the order is made.

VIEWS OF EX-GOVERNOR DURBIN, OF INDIANA.

Mr. SCOTT. Mr. President, before we get started on the tariff bill this morning, I should like to have the Secretary read the following from the Indianapolis Star, from ex-Governor Durbin.

The PRESIDENT pro tempore. The Senator from West Virginia asks that the paper which he sends to the desk may be read. Is there objection? The Chair hears none, and the Secretary will read as requested.

The Secretary proceeded to read the paper—

Mr. BEVERIDGE. Let the date be read.

Mr. SCOTT. I will state to the Senator that I do not think the date is given there. It was sometime in the latter part of May.

Mr. ALDRICH. Will the Senator from West Virginia allow it to be printed without being read?

Mr. SCOTT. I think it will help the Senator very much with the pending bill if he will allow it to be read.

Mr. ALDRICH. I am afraid not. I will ask the Senator from West Virginia to allow it to be printed in the RECORD without reading.

Mr. SCOTT. I will allow it to be printed in the RECORD, then, without reading.

The matter referred to is as follows:

EX-GOVERNOR DURBIN SHOWS WHAT CONGRESS SHOULD DO.

[From the Indianapolis Star.]

Business is bound to stand still until Congress, after the year's uncertainty as to the future which has followed the declaration of both parties for tariff revision in the last twelve months, gives to the country the new basis for business. It is doubtful if any amount of talk in Congress will either enlighten the country or change materially the new tariff bill. Everybody knows that the debating done in Congress has little bearing on the action of Congress. It is mostly for home consumption; and if the thunder is needed, the people would be willing for Congress to pass the bill and then debate it afterwards.

Industrial conditions in the country are bad. It does not look as if the manufacturers had been getting the unholy profits attributed to them by the professional friends of the consumer, for nearly all of them have been either shut down or running with reduced pay rolls. This wasn't so bad for a while, but the time has about come when relief ought to be had. The savings of the wage-earner out of employment are about exhausted, the prices of food supplies are as high as if employment were ready and remunerative, and the wage-earner is decidedly up against it. He has plenty of time to read the CONGRESSIONAL RECORD, but that doesn't pay grocery bills. The manufacturer in many instances finds his credit reaching the straining point after so many months of inactivity. He doesn't mind being held up as a horrible example of inordinate prosperity, but he doesn't care to "bust" while the oratory is being turned on at Washington.

What the country needs more than all else is a chance to do business. If it doesn't get it pretty soon, the party in power will hear from the people, and no amount of oratorical fireworks will save it from the punishment it ought to get for fooling around unnecessarily in settling the tariff problem. People will not buy when they do not know the future basis on which business is to be done and prices fixed.

So far as American business and manufacturing is concerned, it has got beyond the point where the tariff system is of very vital importance to it. The big industrial combinations do not need, and most of them do not care for, protection. They can whip their competitors here on their own ground, and they can easily take care of foreign competition, and not by giving things away to the consumer, either. The tariff problem now is a revenue problem. One way to solve that problem is for Congress to back track in the matter of expenditures. There has been a riot of extravagance at Washington which has been imitated at many of the state capitals, our own not excepted. The last three sessions of the Indiana legislature have been extravagant, far beyond the actual needs of the State. A sinking fund is a sacred trust, and no money should be taken therefrom for any other than the express purposes for which originally intended—debt paying. It would appear that prosperous times makes busy legislation in the way of appropriations.

During all the debates and demands for larger revenue indulged in in Congress, do we read of anyone raising his voice against the extravagant expenditures in the several departments? A few years ago Hon. Jesse Overstreet paid me a decided compliment while we were in the Post-Office Department at Washington, in saying: "If you were at the head of the department and would apply the same business prin-

ciples you did in the State's affairs, you would reduce the expenditures at least \$10,000,000 per annum." If that amount could be saved in one department, the aggregate of the savings in all departments would be vast, and the people would not complain thereof, either.

The trouble lies largely in the fact that our legislators do not distinguish between a want and a need. There must be reform in this respect. To double the expenditures of a country like this in ten years is a crime. To add to the immense sum of billion-dollar Congresses, billion-dollar sessions will receive a request from the toiling millions for an explanation, itemization, and necessities thereof. The Congressmen raised their own salaries, and then seemed to think that this made the country so prosperous that it could stand anything.

President Taft is right in the belief that there must be economy in public administration. Congress had better pass the tariff bill, and then stay in special session until it pares down the governmental expenditures a good 33 1/3 per cent. I do not know what could be done that would give the Republican party a better chance for success in the future.

With expenses reduced, the tariff can be pared down some more. Taxes can be lifted from the necessities of life, where a heavy burden must go so long as it is necessary to raise a billion dollars a year to pay the cost of government. We are worrying about how much water it takes to fill the barrel while the bung hole is open and running a stream. We need to get back to older ideas of the accountability of public servants to the people—that public business should be run after the fashion of a carefully conducted private business. This applies to the legislature at Indianapolis as well as to Congress at Washington. Extravagance is as catching as the Asiatic cholera, and it is epidemic in American public as well as private life. There has got to be a halt somewhere. We can't lift the burdens of taxation by howling against the imposition of tariff duties. If the bills are made they have got to be paid. The thing to do is to quit making so many and such big ones.

Special interests of all sorts have all sorts of ideas as to what Congress ought specially to do on the tariff question. The people who have a living to make through industry and enterprise want Congress to pass a tariff bill that will raise enough money to pay the bills Congress has contracted; then they want a little period of liberty to make enough money to pay their own bills, and then, if the statesmen who are running things do not cut down the cost of government, thereby making it possible to reduce taxes, the people will see to the election of Congressmen who will do that very thing.

So far as manufacturers and business men are concerned, I believe they ought to make themselves heard with a demand on their Members of Congress that something be done; otherwise we are likely to have months of wrangling, as we had in 1893, and a panic afterwards, the like of which this country has not seen in a long time, and a panic absolutely without excuse, except our own lethargy and indifference to what is going on at Washington.

The foregoing is prompted by numerous appeals by manufacturers of Indiana, who are under the impression that I am still president of the bureau of manufactures of Indiana, and also by the fact that I am directly interested in a half dozen or more manufacturing industries and personally know of the needs and desires of the manufacturing and laboring classes.

ANDERSON, IND.

WINFIELD T. DURBIN.

THE TARIFF.

The PRESIDENT pro tempore. The calendar is in order, and the first bill on the calendar will be proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. WARREN. Mr. President, the debate yesterday developed quite a variety of feeling on the part of Senators and a diversity of information, or lack of information. I have thought, notwithstanding the haste which we were all in, that I should like to get into the Record this morning a few facts.

Mr. BACON. Mr. President, we desire to hear the Senator on this side, and it is impossible to do so.

Mr. CLARK of Wyoming. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to his colleague?

Mr. WARREN. I do.

Mr. CLARK of Wyoming. I suggest the absence of a quorum.

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

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

Aldrich	Clark, Wyo.	Frye	Paynter
Bacon	Clarke, Ark.	Gallinger	Penrose
Beveridge	Crane	Gamble	Perkins
Bradley	Crawford	Hughes	Root
Brandeggee	Culberson	Johnson, N. Dak.	Scott
Bristow	Cullom	Johnston, Ala.	Smith, Mich.
Brown	Cummins	Jones	Smoot
Bulkeley	Curtis	Kean	Stone
Burkett	Davis	Lodge	Sutherland
Burnham	Dick	McCumber	Taylor
Burrows	Dillingham	McLaurin	Warner
Burton	Dolliver	Money	Warren
Carter	Fletcher	Nelson	
Chamberlain	Flint	Overman	
Clapp	Foster	Page	

Mr. JONES. My colleague [Mr. PILES] is temporarily detained from the Chamber on departmental business,

Mr. JOHNSTON of Alabama. I desire to state that my colleague [Mr. BANKHEAD] is unavoidably detained from the Senate to-day.

The PRESIDENT pro tempore. Fifty-seven Senators have responded to their names. A quorum of the Senate is present. The Senator from Wyoming will proceed.

Mr. WARREN. Mr. President, like my friend the Senator from Iowa [Mr. DOLLIVER], I am a farmer, always have been and always expect to be.

Mr. CLAY. Mr. President, will the Senator yield to me for a privileged question?

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Georgia?

Mr. WARREN. I do.

Mr. CLAY. Mr. President, it appears from the CONGRESSIONAL RECORD that the following colloquy took place yesterday evening before we adjourned, the senior Senator from New Jersey [Mr. KEAN] presiding:

Mr. ALDRICH. I move that the Senate do now adjourn.

Mr. CLAY. Mr. President, one moment. Does that mean to come back in the morning or to come back to-night?

Mr. ALDRICH. To-morrow morning. The Senator from Wyoming [Mr. WARREN] desires to address the Senate, and he prefers to do so to-morrow rather than to-night.

Mr. CLAY. It does strike me that there ought to be some other schedule that we might be able to take up in the absence of the Senator from Wyoming.

Mr. ALDRICH. I think that we are practically through with the bill, except—

Mr. CLAY. The Senator is mistaken; there are several paragraphs in this bill that have not been considered yet. The question of hides has not been considered; the agricultural-implements paragraph has not been disposed of; the oil paragraph has not been considered.

Mr. ALDRICH. The paragraph in regard to agricultural implements has been agreed to.

Mr. CLAY. The Senator is mistaken, because we were on that paragraph when we adjourned.

Mr. ALDRICH. No; I think the Senator was probably not here when that paragraph was agreed to.

Mr. CLAY. I think I am correct, for I marked it, and I am sure that it has not been agreed to. We were on that paragraph when we adjourned, and we then turned to another paragraph the next day. Now, the Senator is fully aware—

Mr. ALDRICH. Mr. President, I hope my motion will not be lost sight of.

The PRESIDING OFFICER. The discussion is proceeding by unanimous consent.

Mr. ALDRICH. Inasmuch as it is almost half past 5, I shall have to call the attention of the Chair to the fact that I made a motion to adjourn.

The PRESIDING OFFICER. The Chair so understands.

Mr. CLAY. Well, I say this—

Mr. ALDRICH. I shall have to insist on my motion before half past 5.

Mr. CLAY. The Senator from Rhode Island has stated to the Senate time and again that he was anxious to get through with this bill and to have it passed. The Senator is fully aware of the fact that many of us on this side of the Chamber have come here night after night to attend the night sessions with a view of getting through with this bill. Now, Mr. President—

Mr. ALDRICH. I shall have to ask that my motion be put.

The PRESIDING OFFICER. The regular order is demanded.

Mr. CLAY. Mr. President, I rise to a point of order.

The PRESIDING OFFICER. A motion to adjourn is not debatable.

Mr. CLAY. I rise to a question of order. The Senate has heretofore fixed the hour of half after 5 o'clock to take a recess and to reconvene at 8 o'clock, and then to sit not later than 11 o'clock.

Mr. ALDRICH. A motion to adjourn is always in order.

The PRESIDING OFFICER. The question is on the motion of the Senator from Rhode Island.

Mr. CLAY. I rise to a question of order; and I ask to be heard on that question.

The PRESIDING OFFICER. The question is on the motion of the Senator from Rhode Island.

Mr. CLAY. Mr. President, I rise to a point of order.

The PRESIDING OFFICER. The motion to adjourn is not debatable.

Mr. CLAY. Oh; there is no parliamentary law, Mr. President—

The PRESIDING OFFICER. The question is on the motion of the Senator from Rhode Island.

Mr. CLAY. I make the point that there is no quorum present.

The PRESIDING OFFICER. The question is on the motion of the Senator from Rhode Island that the Senate adjourn.

Mr. CLAY. I make the point that there is no quorum here.

The PRESIDING OFFICER. Those in favor of the motion will say "aye" and those opposed "no."

Mr. CLAY. I call for a division.

The PRESIDING OFFICER. The ayes have it; and the Senate stands adjourned until to-morrow.

Now, Mr. President, just a word. I will state what was my purpose in rising to a point of order. The Senate had by a previous order fixed the hour of convening at 10 and a half o'clock to stay in session until 5 and a half o'clock, and then reconvene at 8 o'clock and adjourn at 11 o'clock. Until that order was changed by the Senate the Senate was bound by a previous order of the Senate, and I intended to make the point of order that inasmuch as 5 and a half o'clock had arrived, and the motion of the Senator from Rhode Island had not been put to the Senate, by the previous order of the Senate the Sen-

ate stood adjourned until 8 o'clock in the evening, and therefore no motion was in order to adjourn.

Mr. President, I am fully aware of the fact that a motion to adjourn is of the highest order, but I insist that under the rules of the Senate and parliamentary law a point of order and a question of privilege are of the highest order, and when a motion is made to adjourn a Senator is entitled to rise to those orders and have them disposed of before the question to adjourn is put to the Senate.

Mr. President, I was entitled to have my question of order passed upon; but, leaving that question, the serious complaint that I make is that when the motion was made to adjourn and when it was put to the Senate for a vote, the Chair declared that the question was carried, and before the Chair announced that the question was carried I called for a division of the question. I insist that it was the duty of the Chair when I called for a division on the motion to put the question to the Senate by a rising vote.

Then, Mr. President, I called for the yeas and nays, and the Chair declined to put either the question or a division or to entertain the demand for the yeas and nays. If the Presiding Officer of the Senate on a motion to adjourn can refuse to allow a Senator to have the question put to the Senate when a division is called for, or refuse to allow a Senator to call for the yeas and nays on a motion to adjourn, the Presiding Officer can do the same thing on the passage of the most important bill.

For instance, Mr. President, if I should move to adjourn now, it is the privilege of any Senator on this floor to call for a division on that question. It is the privilege of any Senator to call for the yeas and nays on a motion to adjourn. And it is the duty of the Chair to entertain those demands.

If this ruling of the Chair should guide the Senate in the future, Mr. President, what would be the result when the tariff bill comes up for passage and the question is put to the Senate and the Chair shall declare that the bill is passed and a Senator should call for a division of that question? If a Senator called for the yeas and nays on the passage of the bill, if the ruling of the Chair was correct, then, Mr. President, the Chair could decline to put the question to the Senate as to whether or not the yeas and nays should be called.

When I asked for a division on the question, I was entitled to have that question submitted to the Senate on a motion to adjourn. When I asked for the yeas and nays, Mr. President, I was entitled to have that question put to the Senate on the motion to adjourn, and to deny a Senator that right is an open and flagrant violation of the rules of the Senate.

The PRESIDENT pro tempore. The Senator from Wyoming will proceed.

Mr. WARREN. Mr. President, I am a farmer. I have always been interested in farming, and naturally I must have had my attention called to sheep and woolgrowing, and all my life I have watched interestedly its ups and downs. I was born in a woolen-factory town, where when I went to church or school or to village market the odor of the woolen factory was always present. Thus I had some cause to notice the rise and growth, the struggles up and down, of the woolen industry.

I have never had, and never expect to have, a dollar's interest in woolen manufacturing, and I am not the owner of a single sheep or head of cattle—and only one horse—though I do own stocks in corporations that are interested in all kinds of live stock.

I make this introductory statement, because once or twice during the earlier debates on the tariff bill remarks were made which, I have been reminded, were veiled criticisms upon Senators sitting in this body and voting upon propositions that might directly or indirectly affect their pockets.

I assume that very many Senators are owners, as investments, of railroad and industrial stocks, but I do not think that voting upon a railroad rate law or upon laws affecting the various industries is inconsistent with either the honesty or propriety of a Senator, who must, as a matter of course, keep the interest of the public first in view.

It seemed yesterday, in the discussion, there was some misunderstanding about the history of the tariff, it being asserted by some that it had been changed and the carded-wool men had suffered accordingly, and, on the other hand, by others, that it was an old and moss-grown chestnut. The fact is, the present wool and woolen tariff is the same the carded woolen men helped to make.

Mr. President, woolgrowing is one of the oldest agricultural pursuits of which we have knowledge, and the manufacture of wool is also one of the earliest industries; and in the United

States a tariff upon woolens dates back to 1790, nearly one hundred and twenty years ago.

The first act applied to hats manufactured of wool and to carpets, velvets, and so forth. The duty imposed was $7\frac{1}{2}$ per cent ad valorem.

Twenty-six years later, in the tariff act of 1816, a duty was imposed upon wool and cotton of various manufactures, ranging from 20 per cent to 25 per cent ad valorem, and at that time the duty was made to apply where wool was the material of chief value.

The tariff act of 1824 applied to woolen and cotton manufactures and to unmanufactured wool. The duty was levied upon manufactures composed wholly or in part of wool, and thus was established a rule which has always been followed since that time—that the woolen-goods tariff shall cover any class of cloth or goods of which wool is a component part. The duty in the act of 1824 ranged from 15 per cent ad valorem to as high as 33 $\frac{1}{3}$ cents per square yard specific duty and 25 per cent ad valorem.

And thus the double tariff of specific duty with ad valorem added was first inaugurated, and in 1828 the tariff was imposed in a similar way upon unmanufactured wool.

So it is shown that manufactures of wool have borne a tariff duty continuously for nearly one hundred and twenty years, while unmanufactured wool has been dutiable for eighty-five years continuously, with the exception of three years under the Wilson-Gorman Act.

Wool and woolens have been factors in at least 20 tariff acts, the last and best of all being the Dingley Act of 1897, although in that measure wool on skins was for the first time made to bear 1 cent less duty than sheared or pulled wool.

The tariff has always applied where wool has been mixed or changed in any way from its original condition at the highest rate made on any class included in an article or a package.

It will also be observed that wool partially manufactured or changed in any way toward a manufactured article has always been taxed as equal to the value of the finished product. This was true in all the low-tariff acts from 1832 to 1864.

The system of schedules seems first to have been introduced in the act of 1846, and for years afterwards each schedule represented the percentage of tariff imposed rather than the class of articles.

Up to the time of the breaking out of the civil war the total product of wool in this country aggregated less than 60,000,000 pounds. The tremendous pressure at that time for clothing and blankets for our army pushed the price up and encouraged the growers and manufacturers, so that our product had increased to about a hundred million pounds in 1866. But with the receding market, consequent fall in prices, and disturbance in business generally following the war both grower and manufacturer felt the necessity of establishing some firm, rational basis.

The tariff upon wool in the earlier years was often changed and seldom adequate, and the same may be said of the tariff on manufactures of wool. Therefore, while the industry of woolgrowing was sometimes fairly successful and the manufacture of wool not sufficiently remunerative, at other times the manufacturers were doing fairly well while the growers were in distress.

And so it ran along until about the time of the beginning of the civil war.

From 1857 to 1864—seven years—there were 10 tariff acts, and in 4 of these—the acts of 1857, 1861, 1862, and 1864—the tariff on wool and woolens was changed. There had been contests and ill-feeling between growers and manufacturers, as would naturally be the case where so many changes had been made and where the business of each had been fluctuated, with perhaps no time or, at least, no considerable time in which both industries were similarly prosperous.

There is no record to show that any person or corporation has made any considerable fortune out of either of these industries from the Declaration of Independence down to the present time.

The desirability of a wool tariff was so well recognized that the confederacy, among its earliest acts, provided that there should be a tariff upon manufactured woolens and, strange as it may seem, that there should be also a tax upon raw wool.

So, away back in May, 1861, the confederate government provided that there should be a tariff on wool and woolens. The language which has been objected to by my friend from Iowa [Mr. DOLLIVER] as to goods that are part woolen has been

in every tariff act since 1790, except one. There has been but one tariff act which has not read "manufactures of which wool is a component part," or words to that effect.

Toward the close of the civil war, in 1864-65, Congress evidently felt that there should be some satisfactory adjustment, and, if possible, one that would permit both growers and manufacturers to continue in business, one that would make it possible for the growers to raise all of the wool necessary to clothe the American people and for the manufacturers to manufacture the same, the Government at the same time taking advantage of any importations that might come in, and collecting therefrom an adequate revenue.

So Congress provided for a revenue commission in the act of March 3, 1865, as follows:

That the Secretary of the Treasury is hereby authorized to appoint a commission, consisting of three persons, to inquire and report at the earliest practicable moment upon the subject of raising by taxation such revenue as may be necessary in order to supply the wants of the Government, having regard to and including the sources from which such revenue should be drawn and the best and most efficient mode of raising the same, and to report the form of a bill; and that such commission have power to inquire into the manner and efficiency of the present and past methods of collecting the internal revenue and to take testimony in such manner and under such regulations as may be prescribed by the Secretary of the Treasury.

The members appointed to that commission were: David A. Wells, of New York; Stephen Colwell, of Pennsylvania; and Snowden Hayes, of Illinois; with E. B. Elliott, of Massachusetts, as secretary.

The commission became fully organized in June, 1865. Their report was made to Hon. Hugh McCulloch, Secretary of the Treasury, in January, 1866, and in that same month the Secretary presented the report to Congress, with the following indorsement:

In presenting this report it may be proper for me to remark that, with the single exception, perhaps, of the one in regard to the time at which the payment of the principal of the national debt should be commenced, the recommendations of the commission have my hearty approval. The very important work devolved upon the commission, as far as it has been prosecuted, has been most admirably performed. I earnestly ask that the report may receive the early and careful consideration of Congress.

Among the subjects to which this commission gave its most earnest attention was that of wool and woolens, and their report on the same covers some 136 pages of this book which I have in my hand.

To show the spirit of the commission, I will ask the Secretary to read what I shall send to the desk.

The Secretary read as follows:

SPECIAL REPORT NO. 13—REPORT OF THE UNITED STATES REVENUE COMMISSION ON WOOL AND MANUFACTURES OF WOOL—PRELIMINARY.

OFFICE OF THE UNITED STATES REVENUE COMMISSION,
May, 1866.

No considerations pertaining to the revenue of the country are more important than those which relate to the employment and activity of its productive labor. The inquiry whether this labor is well or ill supported can never be amiss, when public wealth or revenue is in question; nor is it any less pertinent to examine whether any and what obstructions or disturbances lie in the path of labor and national production. The industry of a nation is an interest so vital as to be equaled only by its internal liberties and its independence of foreign control. These, being secure, the highest national results can only be reached through widespread and fully diversified industry which is applied under the advantages of increasing intelligence and the aptitude of growing skill and experience.

Mr. WARREN. Thus it will be seen that their great motive was the employment and activity of productive labor. And I want to say here and now that that has been the text all of the time, and is now, respecting the wool and woolens schedule.

We want to raise in the United States all of the wool possible; and knowing as we do that the growth of the population will far exceed the natural increase in the growing of wool unless the producer may be protected in his market it behooves us to look after the interests of the producer.

We want to bring in from the outside whatever balance of wool may be necessary to clothe the Nation, in such form and condition as will give us the most employment for our labor. The only way to insure this is to bring in the wool in an unmanufactured state. In order to accomplish this, the duties, compensatory or ad valorem or compounded, must be favorable for the manufacturer. Our desire must be not to place the duties on any manufactures of wool so low that the necessary additional supply may be brought here in a manufactured state, but so that all additional supplies may be brought in as raw wool, so called, although that, by the way, is a misnomer, since wool is the finished product of the farmer.

The woolgrower's market must be here in his own country. He can not profitably ship his product abroad. Hence his ultimate market lies with the American, the manufacturer.

The manufacturer of this country must have the opportunity to compete successfully with the foreign manufacturer. The duties must be so levied that if he conducts his business in an economical and intelligent way he can use the home product of wool and import, as raw wool, any necessary additional supply. And thus we employ all of the labor to make all the cloth for American wear right here in our midst.

The woolgrower gets his greatest benefit when the tariff is so adjusted that little or no manufactured goods come in from abroad, but that all necessary additional supplies come in as unmanufactured wool.

Of course the ultrafashionable tailor and the ultrafashionable wearer will continue to demand a small importation of woolens of foreign manufacture. "It's so English, y'know," or "so French," or "so German." But that species of American is daily diminishing, and a few single suit patterns are now sufficient to supply the demand, whereas whole pieces or bolts of cloth were formerly necessary.

The Government gets its revenue from imported raw wool just as it would get revenue from the manufactures of wool.

It is admitted here that the Government would get a little less if all the wool should come into this country unmanufactured than if part of it should come in in cloths; but this difference is overcome many-fold in the benefits to the Nation of the additional manufactories and the employment of operatives therein.

The retail price of cloths and clothing in this country need not depend upon, and does not follow, the rate of tariff on cloths, because the competition in our woolen manufacturing and woolen trade in this country has always been keen and there is every prospect that it always will be.

The retail price of woolen fabrics to the consumer is that of the cost of the wool, the cost of the labor, and a reasonable profit to manufacturer and dealer, which can not be much if any more—and is often less—than the ordinary commercial rate of interest on money invested.

A woolen factory may be built without a vast fortune, because it may be a 2-set mill, a 20-set mill, or a 200-set mill, the first cost of the plant depending solely upon its size and extent.

The art of cloth manufacturing is old, and understood by many people; and consequently, without patents and trade secrets, and without necessity for a great outlay, a man who feels that the woolen manufacturer is making more than ordinary interest on money invested soon finds himself constructing a factory. And thus we have, and have always had, a most healthy competition in the price of cloths, and clothing continues to be cheap, tariff or no tariff.

As a matter of fact only two or three pounds of scoured wool are used in cloth enough for a man's suit of clothes, so that, even at a high tariff per pound, it amounts to but little toward the cost of a suit. The main cost of a suit of clothes is in the labor of making.

We have had more than a score, if I have counted aright, of tariff laws regarding wool and woolens. The rate has been up and down; and so far as the sheepman, the woolgrower, is concerned, he has been buffeted about by these changes in the tariff. He has come to know that what affects the manufacturer affects the woolgrower, because the woolgrower in this country has no valuable market except this market; and if the manufacturers by legislation are placed upon a footing where woolen cloths come into this country to compete with wool grown here, indeed, the woolgrower in this country is without a market.

The woolgrower asks to have a tariff that shall not be tinkered with up and down continually; that it shall be "live and let live;" that it shall be one under which the manufacturer can succeed; and then that the additional wool needed in this country shall come in as far as possible in the condition of raw wool instead of manufactured goods. You may say that it does not affect the woolgrower whether wool comes in or cloths come in. The woolgrower, if he is an American citizen of spirit—and he usually is—desires to have at every step the greatest employment for American labor.

The manufacture of wool is a technical business. It requires a great deal of labor. Hence, if we can raise wool enough in this country, we will have all the labor here required by the industry, all the way from cultivating the grass and the production of hay for the feed, that starts in to produce the sheep from which we get the wool. All of that is expended here. If we arrange a tariff so that seemingly we are protected upon

wool and do not arrange the tariff so as to sufficiently provide for the manufacturer, then our market is impaired, the wool comes in from other countries in cloths, and our laborers are out of work.

In the woolgrowing industry there are not less than a million people, farmers and all, interested. I will not undertake to say how many are interested in woolen manufacturing, but right here in the neighboring city of Philadelphia there are, if I am correctly informed, more than 75,000 operatives in woolen mills. Those 75,000 operatives, with their families, make a very considerable population in that city and in this country. If you grow wool here or bring in as wool what you need, those men are all employed and their families all supported from that industry. If you bring in the cloth, those 75,000 men are out of work, and they naturally crowd into other vocations, and therefore the men in the other vocations are crowded out, wages go down, and many men and women are without employment.

There has never been a time in this country, no matter what the tariff was, when the woolgrowers have been thrifty and their business has been profitable, unless at the same time the woolen manufacturers as a whole were prosperous.

It has been said with a sneer that the woolen manufacturers and the woolgrowers have made some agreement. Well, in all sincerity, I ask whether that is a proper thing, or whether they ought to have each other by the throat? What good can come of the woolgrower and the woolen manufacturer fighting each other? It has been tried. There have been many years in the past when the manufacturers and the woolgrowers were at variance; but it has never transpired that either industry was fully successful, except when there was some reasonable element of harmony.

Speaking of the carded-wool industry and the worsted industry, I love the one as much as I do the other. I have no interest in either one, except I want to see them both succeed; but it matters not to me whether the worsted manufacturer or the woolen manufacturer asks to have a benefit at the expense of the woolgrower. He must be met firmly, and the two must get upon common ground, because it can not be expected that the woolgrower is going to release and renounce a part of his protection in the way of lowering the duty upon all wool wastes, which displace just the same amount, pound for pound, as scoured wool. That is the particular subject now before the Senate in this attempt to lower the duty upon nolls, shoddy, rags, flocks, and so forth.

But turning again to the commission of 1865.

From this report I quote the following as to the importance of the wool and woolen industry:

WOOL AND MANUFACTURES OF WOOL.

In considering what should be our public policy in reference to domestic production, with a view also to national revenue, our attention has been specially directed to sheep husbandry and manufactures of wool, as not only of great national importance, but as suitable to illustrate the whole subject of the relation of industry to revenue.

The vast armies recently on foot have revealed some truths which can not be overlooked for the future in adjusting our economical policy. Beef is the food for armies in active campaign, and the stock of the country has been seriously reduced. Not only the beef but the hides were required for military uses. The country was thrown by the high price of beef upon the consumption of mutton, but the wool was not less important than the mutton. It was soon ascertained that the supply of beef was not more than sufficient, and that the supply of wool and mutton was far from being adequate to the national urgency. If doubled, it would not have sufficed to clothe our armies and furnish meat enough to keep down the price of beef and prevent too great a reduction of the national herds of cattle.

To complete and adjust the entire circle of national production sheep husbandry should be stimulated and promoted until our flocks shall be doubled, and our supplies of wool shall exceed 200,000,000 pounds, and our consumption of woolen goods, domestic and imported, shall be equal to \$10 per head.

There is much more in this statement that is exceedingly interesting, but I forbear quoting for the moment.

At the time this commission was at work statistics showed that the production of wool in the United States had reached, in round numbers, 100,000,000 pounds, and that the importations of wool were a little over 73,000,000 pounds and the importations of cloths of the equivalent of 55,000,000 pounds. Thus our importations of wool exceeded our production. We were importing nearly 30 per cent more than we were producing, while at the present time, notwithstanding the great increase in our population, the extra call for woolen goods, and the distressing fact that woolgrowing has been greatly diminished east of the Missouri River, it is a fact, in spite of all this, that we are growing two-thirds of what we require instead of less than half, and therefore are traveling in the right direction. We now have two and one-half times the number of sheep we had then.

As shown in one of the quotations cited, this commission, being unbiased and interested neither in the manufacturer nor the grower, sought to get information from every quarter where it was obtainable—from history and statistics, from Members of Congress and statesmen generally, from called meetings of manufacturers at various points; also called meetings of growers at various points. The manufacturers met and selected those whom they wished to represent them; the growers did the same; and the delegates, after wrestling with the subject, in the light of experience of long years of unsatisfactory results, became fully alive to the necessity for a live-and-let-live plan.

The commission invited the growers, on their part, to submit a draft of such a tariff bill as they would indorse, and asked the manufacturers to do the same. This both parties did. Then the commission, in view of the two bills thus submitted, and after taking evidence from other interested parties, and with all the evidence and information obtainable from the outside, submitted a proposition which was finally accepted by both parties.

I ask that the two proposed bills be read.

The Secretary read as follows:

DRAFT OF BILL PROPOSED BY THE NATIONAL WOOLGROWERS' ASSOCIATION.

That from and after the passage of this act, in lieu of the duties now imposed by law on the articles hereinafter mentioned, there shall be levied and collected on all unmanufactured wool, hair of the alpaca, goat, and other like animals, imported from foreign countries, the duties herein provided. All wools, hair, etc., as above, shall be divided, for the purpose of fixing the duties to be charged thereon, into three classes, to wit:

Class 1. Clothing wools.—That is to say, merino, Mestiza, Mets or Metis wools or other wools of merino blood, immediate or remote; down clothing wools; and wools of like character with any of the preceding, including such as have been heretofore usually imported into the United States from Buenos Aires, New Zealand, Australia, Cape of Good Hope, Russia, Great Britain, Canada, and elsewhere, and also including all wools not hereinafter described or designated in classes 2 and 3.

Class 2. Combing wools.—That is to say, Leicester, Cotswold, Lincolnshire, down combing wools, Canada long wools, or other like combing wools of English blood, and usually known by the terms herein used; and also all hair of the alpaca, goat, and other like animals.

Class 3. Carpet wools and other similar wools.—Such as Donskoi, native South American, Cordova, Valparaiso, native Smyrna, and including also such wools of like character as have been heretofore usually imported into the United States from Turkey, Greece, Egypt, Syria, and elsewhere.

For the purpose of carrying into effect the classification herein provided a sufficient number of distinctive samples of the various kinds of wool, hair, etc., embraced in each of the three classes above named, selected and prepared under the direction of the Secretary of the Treasury, and duly verified by him (the standard samples being retained in the Treasury Department), shall be deposited in the custom-houses and elsewhere, as he may direct, which samples shall be used by the proper officers of the customs to determine the classes above specified, to which all imported wools belong. The duty upon wools of the first class the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall be 32 cents or less per pound, shall be 10 cents per pound, and, in addition thereto, 10 per cent ad valorem; the duty upon wools of the same class the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall exceed 32 cents per pound, shall be 12 cents per pound, and, in addition thereto, 10 per cent ad valorem. The duty upon wools of the second class, and upon all hair of the alpaca, goat, and other like animals, the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall be 32 cents or less per pound, shall be 10 cents per pound, and, in addition thereto, 10 per cent ad valorem; the duty upon wools of the same class the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall exceed 32 cents per pound, shall be 12 cents per pound, and, in addition thereto, 10 per cent ad valorem. The duty upon wools of the third class the value whereof at the last port or place whence exported into the United States, excluding charges in such port, shall be 12 cents or less per pound, shall be 3 cents per pound; the duty upon wools of the same class the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall exceed 12 cents per pound, shall be 6 cents per pound: *Provided*, That any wool of the sheep, or hair of the alpaca, goat, and other like animals, which shall be imported in any other than the ordinary condition as now and heretofore practiced, or which shall be changed in its character or condition, for the purpose of evading the duty, or which shall be reduced in value by the admixture of dirt or any other foreign substance, shall be subject to pay twice the amount of duty to which it would otherwise be subjected, anything in this act to the contrary notwithstanding: *Provided further*, That when wool of different qualities is imported in the same bale, bag, or package, it shall be appraised by the appraiser, to determine the rate of duty to which it shall be subjected, at the average aggregate value of the contents of the bale, bag, or package; and when bales of different qualities are embraced in the same invoice at the same price, whereby the average price shall be reduced more than 10 per cent below the value of the bale of the best quality, the value of the whole shall be appraised according to the value of the bale of the best quality; and no bale, bag, or package shall be liable to a less rate of duty in consequence of being invoiced with wool of lower value: *And provided further*, That the duty upon wool of the first class which shall be imported washed shall be twice the amount of duty to which it would be subjected if imported unwashed; and that the duty upon wool of all classes which shall be imported scoured shall be three times the amount of the duty to which it would be subjected if imported unwashed. The duty on sheep skins, raw or unmanufactured, imported with the wool on, washed or unwashed, shall be ——— per cent ad valorem; and on

woolen rags, shoddy, mungo, waste, and flocks, shall be 12 cents per pound.

HENRY S. RANDALL,
Chairman Executive Committee
National Woolgrowers' Association.

HON. STEPHEN COLWELL,
Of the United States Revenue Commission.

DRAFT OF BILL PROPOSED BY THE NATIONAL ASSOCIATION OF WOOL
MANUFACTURERS.

That on and after the day and year aforesaid the duties to be levied, collected, and paid on the importation of the articles hereinafter mentioned shall be as follows, that is to say: On woolen cloths, woolen shawls, and all manufactures of wool of every description made wholly or in part of wool, not otherwise provided for, 53 cents per pound, and, in addition thereto, 35 per cent ad valorem; on flannels, blankets, endless belts, or felts for paper or printing machines, hats of wool, knit goods, balmorals, woolen and worsted yarns, and all manufactures of every description, composed wholly or in part of worsted, the hair of the alpaca, goat, or other like animals, except such as are composed in part of wool, not otherwise provided for, valued at not exceeding 40 cents per pound, 25 cents per pound; valued at above 40 cents per pound, and not exceeding 60 cents per pound, 35 cents per pound; valued at above 60 cents per pound and not exceeding 80 cents per pound, 45 cents per pound; valued at above 80 cents per pound, 53 cents per pound; and, in addition thereto, upon all the above-named articles, 35 per cent ad valorem.

On women's and children's dress goods and Italian cloths, composed wholly or in part of wool, worsted, the hair of the alpaca, goat, or other like animals, valued at not exceeding 20 cents the square yard, 6 cents per square yard, and, in addition thereto, 35 per cent ad valorem; valued at above 20 cents the square yard, 8 cents per square yard, and, in addition thereto, 45 per cent ad valorem: *Provided*, That on all goods weighing 4 ounces and over per square yard the duties shall be 53 cents per pound, and, in addition thereto, 35 per cent ad valorem.

On clothing ready made, and wearing apparel of every description, composed wholly or in part of wool, worsted, the hair of the alpaca, goat, or other like animals, made up or manufactured wholly or in part by the tailor, seamstress, or manufacturer, except knit goods, 53 cents per pound, and, in addition thereto, 45 per cent ad valorem.

On Aubusson and Axminster carpets, and carpets woven whole for rooms, 50 per cent ad valorem; on Saxony, Wilton, and Tournay velvet carpets, wrought by the Jacquard machine, 75 cents per square yard, and, in addition thereto, 35 per cent ad valorem; on Brussels carpets, wrought by the Jacquard machine, 48 cents per square yard, and, in addition thereto, 35 per cent ad valorem; on patent velvet and tapestry velvet carpets, printed on the warp or otherwise, 44 cents per square yard, and, in addition thereto, 35 per cent ad valorem; on tapestry Brussels carpets, printed on the warp or otherwise, 30 cents per square yard, and, in addition thereto, 35 per cent ad valorem; on treble ingrain, three-ply and worsted chain Venetian carpets, 19 cents per square yard, and, in addition thereto, 35 per cent ad valorem; on yarn, Venetian, and two-ply ingrain carpets, 14 cents per square yard, and, in addition thereto, 35 per cent ad valorem; on druggets and hockings, printed, colored, or otherwise, 25 cents per square yard; on hemp or jute carpeting, 6½ cents per square yard; on carpets and carpeting of wool, flax, or cotton, or parts of either, or other material not otherwise specified, 40 per cent ad valorem: *Provided*, That mats, rugs, screens, covers, hassocks, bed sides, and other portions of carpets or carpeting shall be subjected to the rate of duty herein imposed on carpets or carpeting of like character or description, and that the duty on all other mats, screens, hassocks, and rugs shall be 45 per cent ad valorem; on oilcloths for floors, stamped, painted, or printed, valued at 50 cents or less per square yard, — per cent ad valorem; valued at over 50 cents per square yard, and on all other oilcloth, except silk oilcloth, — per cent ad valorem.

We have the honor to be,

Very respectfully, your obedient servants,

E. B. BIGELOW,
T. S. FAXTON,
EDWARD HARRIS,
S. WILEY EDMANDS,
N. KINGSBURY,
THEODORE POMEROY,
S. W. CATTELL,

Executive Committee National Association of Wool Manufacturers.

JOHN L. HAYES,
Secretary.

HON. STEPHEN COLWELL,
United States Revenue Commissioner.

Mr. WARREN. And so, finally, all agreed upon a common ground, neither growers nor manufacturers receiving what they had been desirous of and what they felt they should have; but, considering the consumer, general welfare, the Government's interest in revenue, and the cost of capital and labor in growing and manufacturing, a set of resolutions was adopted and laid before a convention called for the purpose of finally settling the question.

I will ask the Secretary to read these resolutions and also the concrete of their decision, presented by Mr. Randall on the part of the woolgrowers and by Mr. Bigelow on the part of the manufacturers.

The Secretary read as follows:

Resolved, That of the great industries with which the people of the United States can occupy themselves to advantage, the woolen interest is especially commended for combining and developing in the highest degree the agricultural and mechanical resources of the Nation.

Resolved, That the mutuality of the interests of the wool producers and wool manufacturers of the United States is established by the closest of commercial bonds—that of demand and supply—having been demonstrated that the American grower supplies more than 70 per cent of all the wool consumed by American mills, and with equal encouragement would soon supply all which is properly adapted to production here; and, further, it is confirmed by the experience of half a cen-

tury that the periods of prosperity and depression in the two branches of woolen industry have been identical in time and induced by the same general causes.

Resolved, That as the two branches of agricultural and manufacturing industry represented by the woolen interest involve largely the labor of the country, whose productiveness is the basis of national prosperity, sound policy requires such legislative action as shall place them on an equal footing and give them equal encouragement and protection in competing with the accumulated capital and low wages of other countries.

Resolved, That the benefits of a truly national system, as applied to American industry, will be found in developing manufacturing and agricultural enterprise in all the States, thus furnishing markets at home for the products of both interests.

Resolved, That it shall be the duty of the respective executive committees of the National Manufacturers' and National Woolgrowers' associations to lay before the revenue commission and the appropriate committee in Congress these resolutions, together with such facts and statistics as shall be necessary to procure the legislation needed to put in practical operation the propositions therein set forth.

Mr. WARREN. This commission was charged with considering the interests of both growers and manufacturers, and it was mutually understood, and could not be otherwise, that if a tariff were put upon unmanufactured wool, the manufacturers of this country would have to have first a compensatory duty to cover and put them on an equality with the manufactures in other countries where wool was free. This being granted, then the manufacturer must have a tariff upon his product to cover the difference in labor in other countries, just the same as if he were getting free wool and had no compensatory duty.

It became the duty of the commission to regulate the ratio of the duties referred to. The commission not only had the oral and written evidence from both sides, but it had provided for sending sample lots of wool to different factories, in which the problem was worked out as to how many pounds of scoured wool would be used in producing fabrics, and a ratio was finally established and adopted, running from 1½ to 1 to 4 to 1, based upon unwashed No. 1 wool.

In order to protect the woolgrower and to protect the manufacturer maximums had to be at all times considered to secure protection for whatever advantages might accrue to competitors from minimums.

At the time this schedule and ratio were made up and the tariff bill followed in 1867 the natural outcome of the report of the commission, enacted by the next Congress, the manufacturers participating were nearly all manufacturers of carded wool, as that was then the fashion, and very little had been done in worsteds, and that little mainly in luster goods, braids, linings, and so forth.

To quote from the very able report already mentioned, the commission said:

Cut off the supply of American wool and our mills are stopped as effectually as by turning the water from the wheels which move them. We declare, therefore, with the utmost emphasis, that American wools are eminently the foundation of the prosperity of our manufacturing.

And the commission further said:

Combing wools, required in the manufacture of worsted, are produced in this country only to a very limited extent. The domestic supply of very fine short-cloth wools, required in the manufacture of broadcloth and face goods, is at present inadequate to the necessities of the manufacture; and a moderate supply of these wools, to be mixed with our own, would increase the consumption of American wools.

And for this reason, it seems, second-class wools, which are usually washed on the sheep's back, were given the advantage of a rate which was the same on washed and unwashed, although the scoured duty applied the same in class 2 as in class 1.

At that time the combing wools for worsted were only those of very long growth. There were very few worsted cloths made. The great volume was carded, and so it is perfectly evident that in making up the ratios at that time, which have existed ever since practically the same, even under the Wilson and Gorman Act, the carded-wool men must have arranged the ratios as they desired to have them.

This commission recommended the division of the wool into classes 1, 2, and 3, using almost the identical language now used in describing them; and they proposed that there should be a set of distinctive samples of the various kinds of wool, hair, and so forth, embraced in each of the three classes, selected and prepared under the direction of the Secretary of the Treasury and duly verified by him.

The commission also considered the manufacturers' part of it, and provided for a duty almost identical with that under the present law.

The whole plan of the wool and woolen schedule is based upon the desirability—

First, To encourage the raising of sheep in this country in sufficient numbers, if possible, to give us wool enough for our

consumption, and to increase, as nearly as may be, the growth of wool in proportion to the growth of population.

Second. To manufacture all of our own product.

Third. To insure importations of raw wool instead of manufactured wool in making up any deficiencies between our home growth and consumption.

This being true, it naturally follows that the wool grown in this country can not be successfully exported, but must be utilized by our own manufacturers.

Hence, our home market being the only market, and our home manufacturers the only manufacturers of our wool product, it is vital to the grower that the manufacturer may be successful and that the latter's product may be fully protected.

The interests of the grower and manufacturer are mutual in the desire that all the needed imported wool material may come in in an unmanufactured state. Hence, the advantage of tariff must be so laid. The farmer must receive sufficient protection to keep his flocks from decreasing. The manufacturers must have high enough duties on cloths so that, after absorbing the home product, they can draw upon other countries for raw material and be able to compete successfully with the foreign manufacturer, who is struggling for this American market—the best in the world with reference to the consumption of wool.

Of course there will be importations of cloths in fancy styles and novelties, for the use of those who always desire "something different," "something foreign," "something imported," and so forth.

Now, if we go back and examine the record of woolgrowing and wool manufacturing, it is as clear as the light of day that when the relations of these industries have been disturbed so that either one has had insufficient protection, the industry has languished.

Prior to 1860 both branches were fitful and uncertain, and I can best describe the condition by a quotation from the report made by a combined committee, composed of seven members of the National Wool Manufacturers' Association and five members of the National Woolgrowers' Association, who signed the report. These members were the delegates from their respective associations selected to report to the revenue commission of 1865-66:

The question next arises as to our position under the present laws.

It is our duty to the revenue commission, as well as to the several interests which we represent, to submit at length our views of the operation of the present tariff laws, in their application to the production and manufacture of wool.

In order to understand clearly the object sought for in adjusting the present tariff on wool and woolsens, it will be necessary to consider the operation of the two preceding tariffs, viz, those of 1846 and 1857, each of which having proved to be defective in opposite directions, suggested changes which were necessary to perfect a system equitably adjusted to the two branches of the woolen interest.

The tariff of 1846 placed, in the main, a duty of 30 per cent upon both wool and woolsens; and in some cases a less duty upon the latter than upon the former. This arrangement was justified to popular opinion by its apparent equality. But the equality existed only in name. The grower of the wool had the full benefit of the protection of 30 per cent, without any drawbacks or neutralizing duties; and the arrangement would have proved most beneficial to him, at least, if the manufacturer had continued to consume his wool. But the manufacturer, being the consumer of the wool, had to pay the whole of the duty of 30 per cent by which the grower was protected, which, when deducted from the duty on the manufactured article, left him a protection so inconsiderable as to be unavailing.

Burdened with heavy duty, and receiving no equivalent, he had to contend with a foreign rival, who had the vast advantage of obtaining his wool without duty. Waiving argument upon the theoretical question of the equality or justice of this arrangement, it is sufficient to refer to the practical fact that the system, whether sound or not in theory, proved most disastrous in its actual results to both interests.

The manufacturers, encouraged by the policy of the tariff of 1842, had attempted the branches of manufacture requiring the utmost skill, and demanding large capital and expensive establishments. No less than 1,800 looms were in operation in the manufacture of broadcloths. The woolgrowers, encouraged by the demand for the finest cloth wools required in this manufacture, imported Saxony sheep, and had made progress in the growth of the finest wools, distinguished in Germany as "noble wools," which, if continued, would have placed this country at the present time on an equality with Silesia in the production of such wools. The manufacturers of fine cloths found it in vain to struggle against foreign rivals, who, in addition to cheap interest and cheap labor, had the crowning advantage of free wool. The higher branches of the manufacture were abandoned; soon every one of the 1,800 of the broadcloth looms in the country ceased work. The only branches of manufacture continued with activity were those like flannels, which were supplied by the common wool of the country—so superior in its spinning qualities as in itself to afford an advantage over the foreign manufacture. There was no longer a demand for any but common wools. The Saxon wool husbandry ceased with the manufacture of fine cloths, which had called it into existence.

We must regard the blow which prostrated alike the woolgrower and the wool manufacturer as one of the most disastrous that has ever fallen upon the industries of our country.

Armed with arguments, derived from the state of things above described, against giving preponderating consideration to the woolgrower, the manufacturers, on their side, approached the national councils and invoked legislation which should regard their interest as the predominating one of the country. The result was the passage of the tariff bill of 1857, which imposed a merely nominal duty upon wool, and

protected the manufacturer by a duty of 24 per cent. This tariff, although temporarily advantageous to the manufacturer, did not continue long enough in operation to furnish facts as to its effect upon both interests, such as a longer experience under the tariff of 1846 had afforded. The obvious disadvantage to the manufacturer of the policy of the tariff of 1857 was its inherent instability.

The manufacturer investing large capital in structures and machinery which can not be diverted to other purposes, and which may not give returns until years of operation, demands, above all things, stability of legislation. This he could never expect under a system which made the agricultural interest secondary to his.

Influenced by these considerations, and candidly acceding to the reclamations of the woolgrowers, the manufacturers cordially responded to the proposal of the Committee on Ways and Means of the Thirty-seventh Congress; and particularly of the subcommittee, presided over by the distinguished member from Vermont, whose name is identified with the policy mainly due to his influence, to so adjust the tariff upon wool and woolsens as to give not merely nominal but absolute equality to both branches of the woolen interest.

Whatever may have been the practical working of the Morrill tariff, which is the basis of our present system, it is a matter of history that equality of adjustment was the main object of the provisions of that bill and the tariff bill of 1864, respecting wool and woolsens.

The object sought in these bills was to give a sufficient protection to the woolgrower, and to place the manufacturer in the same position as if he had his wool free of duty. A duty supposed to be sufficient to protect the woolgrower against wools competing with his own was placed upon such wools, and such a specific duty was placed upon woolen cloths as was supposed to be sufficient to reimburse the manufacturer for the amount of the duty paid on the wools. The ad valorem duty on the cloths was added to reimburse to the manufacturer the expenses of carrying the duty on the wools, the internal taxes, the duties on drugs and other materials used in manufacture, and to furnish the required protection.

While recognizing fully the correctness of the principles upon which the present tariff laws are based, it is our duty to point out defects in their practical operation. It has been proved by official returns that, while it was the manifest intent of the law of 1864 that the minimum rate of duty upon the class of wools most directly competing with our own should be 6 cents per pound, the average rate of duty upon this class of wools actually paid has been less than 5 cents per pound. The American producer has been thus deprived of the intended protection.

In view of the facts above stated, and of the requirements of our manufacturers for an increased supply of American wool, and in order to furnish a stimulus for such supply, and at the same time to secure "equal encouragement and protection to both interests," we recommend as a basis for the readjustment of the revenue laws applicable to wool and woolsens the following propositions:

1. A provision to be inserted in the tariff laws requiring all wools now known as "Mestizo," "Metz," "Cape," and "Australian," wools, to be subjected to a duty of not less than 10 cents per pound and 10 per cent ad valorem; said provision to be so worded as most effectually to prevent these and similar wools from being admitted at a less rate of duty; the rates of duty on all other wools to remain as they now are, with the exception of wools the growth of Canada, which, in the absence of treaty stipulations, shall be subjected to a duty of — cents per pound.

2. All manufactures composed wholly or in part of wool or worsted shall be subjected to a duty which shall be equal to 25 per cent net; that is to say, 25 per cent, after reimbursing the amount paid on account of duties on wool, dyestuffs, and other imported materials used in such manufactures, and also the amount paid for the internal-revenue tax imposed on manufactures and upon the supplies and materials used therefor.

E. B. BIGELOW,
T. S. FAXTON,
EDWARD HARRIS,
J. W. EDMANDS,
S. W. CATTELL,
H. KINGSBURY,
THEODORE POMEROY,

Executive Committee National Association of Wool Manufacturers.

HENRY S. RANDALL,
E. B. POTTLE,
E. HAMMOND,
R. M. MONTGOMERY,
GEORGE B. LORING,

Executive Committee of the National Woolgrowers' Association.

JOHN L. HAYES,
Secretary of the Joint Committee.

As to the production of sheep in this country, it is often said that we are going backward; that we are not producing the proportion of wool, according to the number of people, which we formerly did, that we were expected to raise and furnish. Going back about as early as we have any census—I might go back, for instance, to 1810—we find that we had then some seven and a half million people, and that we had less than 10,000,000 pounds of wool raised in the country, which is a pound and one-third of wool per capita. At the present time we have somewhere from 85,000,000 to 90,000,000 people, and we produced in this country last year 311,000,000 and odd pounds of home-grown wool. So, the proportion, you see, has very largely increased, and we are more nearly to-day furnishing the amount of wool that we consume than we were away back in the time to which I have referred.

Going back, for the purpose of our present consideration, to the year 1860, these industries recorded the following:

	Head.
Number of sheep in 1860	22,471,275
Number of sheep in 1880	40,765,900
Increase in 20 years	18,294,625

This shows the effect of a favorable tariff during this period of twenty years. Our manufactures of wool in 1860 were

\$73,450,000 in value. Manufactures of wool had increased to \$268,085,686 in value in 1880, two and two-thirds times as much.

I have used the years 1860 and 1880 because these were census periods, and therefore the figures used are official.

During this twenty-year period a few of the first years were not profitable, but nevertheless the period taken as a whole, with nearly double the sheep and almost four times the value in wool manufactures, was a record of success.

At that time—1880—we imported in raw wool 128,131,477 pounds, and but \$33,911,093 worth (duty paid) of woollen manufactures. Mark the figures and see what followed.

The first four years following showed progress and a gain of 10,000,000 sheep and a corresponding growth in manufactures.

Then came the tariff of 1883, which, while it left unmanufactured wool in almost the same notch where it had been, reduced the manufacturers' protection, and the result was a dullness in sheep husbandry following the dullness in manufacturing. The numbers of sheep were reduced, and instead of the rapid increase prior to the act of 1883, in the next ten years the decrease in sheep was as follows:

	Head.
January 1, 1884, when 1883 tariff went into effect.....	50,626,626
January 1, 1894, when 1894 tariff went into effect.....	45,048,017
Decrease.....	5,578,609

Late in 1892, when the election showed that we were to have in power a President and majority in Senate and House elected upon a platform which declared for free raw material (wool), greatly reduced tariffs, and so forth, the downward trend of wool and woollens was still more marked.

The period following 1883, which gave a dull and unsatisfactory business to the woolgrowers, was caused by an insufficient protection of woollen manufactures and the consequent importation into this country of vast quantities of manufactured woollens, decreasing proportionately the quantity of unmanufactured wool imported.

In 1880 we had in this country 2,330 woollen manufacturing establishments; the value of the product manufactured in that year was \$238,085,686. We were importing:

In woollens.....	\$33,911,093
In raw wool.....	128,131,747 pounds

Now, note carefully the following:

In 1890 the number of manufactories had decreased to 1,693, and the total product of our home manufactures of wool had increased to only \$270,527,511, about 1½ per cent per year, notwithstanding that the first three or four years after 1880, and before the change caused by the act of 1883, were prosperous, and notwithstanding our great growth in population during that decade. On the other hand, the value of imports of cloth had arisen to \$56,582,432, nearly 70 per cent increase, and the imports of raw wool had fallen to 105,431,285 pounds, nearly 23,000,000 pounds decrease, notwithstanding our growth in population.

In other words, the law of 1883 seems to have impaired the manufactures and changed our imports in wool and woollens so that while we increased our importations of woollen cloths 70 per cent, we decreased our importations of raw wool 23,000,000 pounds, or 18 per cent. And this was before the manufacturers were permitted to import at the lower rates of the Wilson-Gorman Act.

So much for the wool tariff of 1883.

Now, following up this subject a little further, we had in this country in 1894, 45,048,017 sheep, valued at \$89,186,110; in 1897, 36,818,643 sheep, valued at \$67,020,942, showing a still further decrease of over 8,250,000, or nearly 20 per cent, in the number of sheep, and a decrease of over \$22,000,000, or 20 per cent, in the value in the three short years intervening between the tariff law of 1894 and that of 1897.

And this much for the Wilson-Gorman tariff act of 1894.

In fact, Mr. President, the numbers and values of sheep have moved up and down with favorable or unfavorable tariff legislation much the same as the mercury in the thermometer moves with the change of weather, the one being about as sensitive as the other.

And so it is plain to me and to many more that it is to the interest of the manufacturer to encourage an increased growth of wool in this country, for if he should be entirely dependent upon foreign markets he might find himself with an uncertain and insufficient supply; and in times of war—if war should occur and this country should be cut off from the other wool-producing countries, when our army might greatly need increased supplies in woollen goods—it would be disastrous alike to manufacturers and consumers, and especially so to the army, if the manufacturers should find themselves cut off entirely from other bases of wool supply.

Furthermore, should the farmers of this country be forced out of the growing of wool, the world's supply being that much diminished, the effect would be that prices abroad would be raised, in fact, the world's prices would be higher, and thus we might have far higher prices than now; indeed, it is possible that the world's prices on wool might be as high (if free to all parts) as protected wool is now in this country, for we raise about one-eighth of the world's wool supply while we consume fully one-fifth of the world's supply. And we would suffer similarly because of the decreased supply of mutton, so necessary as a food product.

This statement may be new and startling to those who have not given the subject attention. But it is true that, although we have less than 90,000,000 population out of a total world's population estimated at one and one-half billions, nevertheless our consumption of the world's wool supply is one-fifth, as stated; and our mutton supply is most necessary in times of peace or war, as we slaughter about 9,000,000 at the regular slaughter establishments and thousands more on the ranches and farms.

Having thus stated the interest that manufacturers must have in woolgrowers, I may say that the growers are equally interested in all of the conditions named.

If the price of wool should increase because of a shortage in the world's supply, what would it matter to the woolgrower if he had gone out of the wool business and was engaged in other industries, wool raising having passed out of its leading place in his own country?

In 1810 the amount of wool grown in this country was estimated at 13,000,000 pounds, our population at that time being 7,293,913; so that the wool then grown in this country was less in amount than 2 pounds per capita, while at the present time it is 4 pounds. At that time (1810) there were but 24 woolen factories, and small ones at that, while there were nearly 1,700 fulling mills which were used by the farmers and woolgrowers in making domestic cloth woven in their residences and shops. To-day we have some 1,500 woolen factories, many of them immense in size and capacity.

There have been various seasons successful and unsuccessful to the woolgrowers, and the figures show perfectly plain that the numbers have gone up and down according to favorable or unfavorable tariff conditions respecting both wool and the manufactures of wool.

Under the earlier tariff laws, up to 1840, our sheep had reached in numbers 19,311,374.

With the low-tariff laws in the forties and fifties, and up to 1860, they had increased in the twenty years to only 22,471,277; only a little over 3,000,000 in number—a trifle over 20 per cent—in twenty years, or 1 per cent per annum.

With the higher tariffs of 1861 and 1867 they had increased in the seven years to 39,385,386, an increase of nearly 80 per cent in only seven years—over 11 per cent per annum—as against an increase of a trifle over 20 per cent in the twenty years preceding, or 1 per cent per annum.

Of course the necessities for woollen goods during the war and the high prices paid for them had something to do with this seven-year period.

Again, going to 1884, the year in which the 1883 tariff law became effective, we had 50,626,626 sheep, valued at \$119,902,706.

In 1897, when the Dingley law was enacted, the number of sheep had decreased to 36,818,643, valued at \$67,020,942, a decrease of 28 per cent in number and nearly 80 per cent in value.

This great decrease in thirteen years was caused by the tariff acts of 1883 and 1894, notwithstanding the counteracting effect of the two or three years under the favorable tariff act of 1890. That is to say, out of thirteen years of bad tariff legislation we may deduct three years of good tariff legislation, and the balance will represent the decrease as stated—a decrease of 3 per cent per annum in the number of sheep and 8 per cent in value in the remaining ten years.

And I am now tempted to make one more comparison.

Starting with the record of 1897, as given, and coming down to 1908—eleven years under the Dingley Act—we find that our sheep have increased from 36,818,643, valued at \$67,020,942, to 54,631,000, valued at \$211,736,000.

This shows an increase of 48 per cent in number and 215 per cent in value, or 4½ per cent per annum in number and 20 per cent per annum in value.

RECAPITULATION.

And so it is all the way since 1840, when the first census enumeration of sheep and other live stock was first made, up to the present time.

First. We had twenty years with low tariffs on woollens and on wool, and our increase was but 1 per cent per annum.

Second. Then followed seven years with better tariff laws, and we had an increase of nearly 80 per cent, or 11 per cent per annum.

Third. From 1867 to 1884—continuing under favorable tariff—we had increased from 39,385,386 head to 50,626,626 head, an increase of 11,241,240 head—an increase in the sixteen years of nearly 26 per cent, or about 1½ per cent per annum.

Fourth. In the period after the bad tariff law of 1883 up to 1897, when the Dingley law was inaugurated, our sheep had decreased 28 per cent in numbers and 80 per cent in value, a decrease of over 2 per cent per annum in number of sheep and over 13 per cent per annum in value of sheep.

Fifth. From 1897 to 1908, eleven years, we find an increase of 48 per cent in the number of sheep in this country, about 4½ per cent per annum, and an increase of about 215 per cent in value, or nearly 20 per cent per annum.

Of course, in figuring these percentages, fractions are omitted and the figures used are the nearest approximate.

Can there be any better proof of the value to the sheep grower of an adequate or even nearly adequate tariff upon wool?

The figures I have given, and their fluctuations, seem enormous, but they are official figures.

It is sometimes said by those who oppose the tariff on raw wool, and sometimes by the manufacturer who would like to get his wool without duty, that the woolgrower has enjoyed the protection of the tariff long enough to enable him to grow all of the wool that is needed for our consumption if he can ever do so.

But the figures I have just quoted show the discouragements and the backsets which the woolgrower has had to contend with in past years.

The figures show conclusively that if we would grow all the wool needed for our consumption, we must continually and adequately protect the woolgrower.

No doubt it is thought by many of the growers that the present tariff rates and the rates proposed by the Senate committee are not sufficient and adequate; but I have believed, and I still believe, that, with the rates as proposed, although not as perfect as might be desired, the industry can be sustained, the numbers of sheep increased, and the quality of our wool greatly improved.

But there is one thing certain—without protection, or with less protection than that proposed in this measure by the amendments of the Senate, we can not increase the industry of woolgrowing, and we shall go down hill in the production of wool and mutton, as we have done heretofore when the tariff has been insufficient upon either wool or manufactures of wool. The grower is affected by either one or both. If the manufacturer's business is made unprofitable, the grower can not produce and dispose of his product with profit.

Now, all of this being true, we ask the question: Is the industry of growing mutton and wool of value to this Nation? Is the United States ready to allow that industry to perish, or to diminish into unimportance, and then take its chances in peace or war of purchasing all the product required for our home manufactures or of bringing into the country the manufactured product necessary for this great people, who consume a fifth of all the wool grown in the world?

Not only is it of interest to the sheep grower that fully manufactured goods shall bear a rate higher than raw wool, but he is also interested in every partially manufactured product of wool—tops, yarn, and the wastes that fall from wool in process of manufacture.

During the war, when we were cut off from supplies abroad, this country realized as it never before realized that mutton and wool were as necessary as powder and ball to carry on a war. Wool is an article of contraband as much as meat and as powder, in a sense. To let the wool and the meat industry languish would leave us where we could not clothe our soldiers, where we could not furnish them with blankets, and where we could not support them with our meat supply. During that time we had changed the tariff a number of times, and our good old friend who honored a seat in the Senate for so many years, the former Senator from Vermont, Mr. Morrill, made the matter of the tariff on wool a special study and brought out for the first time a tariff under which both industries could thrive. But there were yet differences; hence the commission to which I have already alluded.

The whole plan of protection for woolgrowers and wool manufacturers was based by Mr. Morrill upon the intention, first, to grow all of the wool it is possible to grow in this country; second, to add to that sufficient wool in its unmanufactured state to make up the difference; this in order that all of the labor in manufacturing might be done in this country.

Now, so long as we seek to add whatever is necessary in unmanufactured wool, we must be extremely careful to guard against every avenue which would lead manufactured goods through the customs-houses at better rates than those given to unmanufactured wools, plus the cost of manufacture here. We must also see to it that all substitutes, good and bad, shall bear duties equivalent to raw-wool duties, otherwise both the manufacturer and the grower would be injured.

Of course all of the importers of goods under Schedule K are arrayed against the tariff duties, and especially the duties upon manufactured goods, because, with the thousand-and-one varieties of cloth sought to be sold over here, manufactured by the cheaper labor of other countries, they are seeking a landing place in which to market their goods.

Hence, to carry out the plan, we must maintain the duty on unmanufactured wool, and when it enters into manufactured goods with cotton and other substitutes it stands us in hand to get the rate too high rather than too low, because the rulings of the customs-houses are almost invariably made in favor of the importer as against the producer—the farmer or grower—because the one is always present in his large transactions, clamoring for favorable rulings and endeavoring to obtain in some way advantageous classifications. The farmer or grower is almost never present. He is at home, producing the material.

And hence, from every direction and for all reasons, we must protect, first, the grower; second, the manufacturer; and, third, and more important than either, the working classes engaged in these industries, so that all of the labor may be done in this country, and also that all of our people may be well clothed at reasonable prices.

If we leave a door open for any class of manufactures to come through on more favorable terms than raw wool, both manufacturer and grower are injured. If we reduce the rate too greatly upon manufactured goods, and the manufacturer suffers, the grower suffers with him. So that for every reason and all reasons we must have an abundantly sufficient tariff on woolen goods.

It is no doubt true that in the case of some of the cheap goods in which there is but little wool and much cotton or other substitute, the cloth and the clothes made therefrom can be bought for sums nearly as low as the duty itself. But it must be acknowledged that this fact does not hurt the consumer. We are too apt to speak of the rate of duty as a cost or expense to the consumer. Under our tariff system this is very seldom the true measure of the consumer's extra cost where, indeed, there is any extra cost. In many cases, and in very many articles, the consumer is provided for at just as low a rate as if there were no tariff imposed. And yet the tariff is necessary, because it insures a continued and prosperous business for our own manufacturers, and they in turn, through competition in business, keep the prices to the consumer down to the very lowest possible notch.

If there were no protective tariff upon such articles as I have been speaking of, manufacturers would have no assurance as to what the foreign market might become; and with the fact always before them that foreign labor is cheaper than domestic, the field of manufacture is not inviting and will not be substantially filled unless a certainty is assured that their business shall continue through protection which shall at least equalize, and should somewhat exceed, the difference in cost of labor.

Ordinary wearing apparel for men and women is cheap in this country; and while our people buy liberally abroad, on account of fashions, love of variety, and so forth, there is no considerable difference in the cost of cheap woolen goods, clothing, and so forth, as between this country and the foreign countries; and the yearly cost to a man or woman or family is as nothing compared with the wondrous advantages of a protective-tariff system.

There has never been and can not be a successful trust or combination for handling wool. It can not be graded and sold upon grades and speculated in like wheat or cotton, because there is a certain individuality about wool, and it has so many requisites; there may be so many excellencies or deficiencies and so many contingencies, that every lot must be sold upon its own merits, varying greatly in different seasons from the same locations and flocks. It is true that in grading and sorting houses the fleeces of A, B, C, and D, can be assorted into different grades by actually handling each fleece of wool, but a combination of the clips of the same growers for the following year might present a different quality and a different condition, owing to many contingencies, such as good or bad weather, drought or flood, sufficiency or shortage of feed, method of shearing and caring for, and so forth.

As to the manufacturing of wool, it is true that one concern has been made up of 28 different companies; not a holding company handling the 28 different corporations, but one company which holds in fee simple all of this number excepting one or two, in which it holds all of the stock. This concern has been doing business some ten years, and probably never has reached a point of manufacturing 20 per cent of the output of the woolen mills of the country, and 8 per cent to 15 per cent would be nearer the mark, the average being about 12 per cent.

I have here some facts and figures relating to this company. I shall not read them, but I shall ask, Mr. President, that I may insert them in the RECORD.

The PRESIDENT pro tempore. The Chair hears no objection, and it will be so ordered.

The matter referred to is as follows:

American Woolen Company.—Incorporated March 29, 1899, in New Jersey, as a consolidation of the following New England woolen mills: Washington Mills, Lawrence, Mass. National and Providence Worsted Mills, Providence, R. I. Saranac Mills, Blackstone, Mass. Fulton Worsted Mills, Fulton, N. Y. Fitchburg Worsted Mills, Fitchburg, Mass. Beoli Mills, Fitchburg, Mass. Valley Worsted Mills, Providence, R. I. Riverside Worsted Mills, Providence, R. I. Assabet Mills, Maynard, Mass. Sawyer Woolen Mills, Dover, N. H. Bay State Mills, Lowell, Mass. Beaver Brook Mills, Lowell, Mass. Vassalboro Woolen Mills, North Vassalboro, Me. Puritan Woolen Mills, Plymouth, Mass. Anderson Mills, Skowhegan, Me. Kennebec Mills, Fairfield, Me. Manton Mills, Manton, R. I. Anchor Mills, Harrisville and Pascoag, R. I. Chase Mills, Webster, Mass. Brown Mills, Dover, Me. Ray's Woolen Mills, Franklin, Mass. Weybosset Mills, Providence, R. I. Baltic Mills, Enfield, N. H. Moosup Mills, Moosup, Conn. Lebanon Mills, Lebanon, N. H. Prospect Mills, Lawrence, Mass. Hecla Mills, Uxbridge, Mass.

All the plants of the company are held in fee, with the exception of the National and Providence worsted mills, in which instance the entire capital stock is owned by the company. The bonds existing at the time of purchase upon two of the properties, aggregating \$505,000, were paid off from earnings.

The increase in business having equaled the capacity for producing, the directors in August, 1905, organized the Wood Worsted Mill Corporation. The entire stock of this company, except shares to qualify directors, is owned by the American Woolen Company.

Capital stock authorized, \$40,000,000 common and \$35,000,000 7 per cent cumulative preferred (as increased November, 1906): outstanding, \$29,501,100 common and all of the preferred; par, \$100. No bonds. Dividends at the rate of 7 per cent per annum have been regularly paid on the preferred since the company began operations, but nothing has as yet been returned to holders of the common.

Officers: W. M. Wood, president; Frederick Ayer, vice-president; J. T. Shaw, secretary; F. G. Sherman, assistant secretary; W. H. Dwelly, Jr., treasurer; W. A. Currier, assistant treasurer; B. F. Smith, Jr., second assistant treasurer; P. C. Wiggins, comptroller, Boston.

Directors: G. E. Bullard, John Hogg, F. W. Kittredge, Boston; S. P. Colt, G. L. Shepley, Providence, R. I.; Frederick Ayer, Newton, Mass.; A. G. Pierce, Jr., New Bedford, Mass.; C. H. Tenney, New York; W. M. Wood, Andover, Mass.; J. C. Woodhull, Summit, N. J.

Annual meeting, first Tuesday in March. Office, National Shawmut Bank Building, Boston, Mass. Selling agency, Eighteenth street and Fifth avenue, J. C. Woodhull, selling agent.

Agent in New Jersey, Registrar and Transfer Company, Jersey City. **Wood Worsted Mill Corporation** (controlled by stock ownership).—Incorporated September 6, 1905, in Maine. Capital stock, \$1,000,000, all owned, with the exception of shares to qualify directors, by the American Woolen Company.

Notes: Three million five hundred thousand dollars 4½ per cent construction and equipment notes, dated September, 1905: due, \$500,000 March 1, 1910; \$2,000,000 September 1, 1910; and \$1,000,000 March 1, 1911. Int. M. and S. 1. Guaranteed, principal and interest, by the American Woolen Company.

THE TENTH ANNUAL REPORT OF THE AMERICAN WOOLEN COMPANY, FOR THE FISCAL YEAR ENDING DECEMBER 31, 1908. PRESIDENT'S REPORT.

To the stockholders:

The depression which occurred during 1907 prevailed during the past year and reduced the volume of gross business 37 per cent compared with the previous fiscal year. This decrease naturally affected the net profits of your company. It is quite unnecessary to discuss further the disastrous effects of the business depression of 1907 and 1908. That is now past history, with which all are familiar. The business of your company naturally suffered as did all business. The vigorous curtailment of production, which your management thought necessary for the first six months of the year, was continued during the greater part of the last six months. Total gross sales of \$29,986,000 speak for themselves.

The new year opens auspiciously, however, orders booked from January 1 to February 28 amounting to \$22,000,000, so your directors have every reason to anticipate a greatly improved year in 1909. Notwithstanding decreased operations of the mills owned by your company, they have all been well maintained, and your company is in excellent condition to resume full operations at such time as improved business conditions permit.

The heavy advanced sales of cloth have been provided for by engagements of wool in anticipation of its wants. The company is still obliged to enter the open market for a part of its worsted-yarn requirements.

Your directors, however, are considering a proposition to increase the company's yarn production during the coming year to meet its full requirements.

The number of shareholders of the company has increased during the year 10 per cent, following a 45 per cent increase in the 1907 year.

The operations for the past fiscal year are fully shown in the treasurer's report, which follows.

WILLIAM M. WOOD, President.

Treasurer's statement.

AMERICAN WOOLEN COMPANY, BALANCE SHEET, DECEMBER 31, 1908.	
Cash	\$2,892,168.71
Accounts receivable, net	14,543,498.36
Inventories; wool and fabrics—raw, wrought, and in process—and coal and supplies	14,317,069.09
Plants, mill fixtures, and investments as per last year's report	31,752,736.16
Capital stock of Wood Worsted Mills	42,352,876.84
	3,499,400.00
	77,605,013.00
Bank loans	2,890,400.00
Current vouchers and accounts	757,393.10
	3,647,793.10
Accrued dividends on preferred stock to December 31, 1908 (payable January 15, 1909)	510,416.67
Capital stock (common)	\$29,501,100.00
Capital stock (preferred)	35,000,000.00
	64,501,100.00
Surplus	8,945,703.23
	77,605,013.00

PROFIT STATEMENT FOR THE YEAR 1908.

Net sales and other income	29,986,978.50
Cost and expenses	28,706,273.30
Net profits for the year 1908	1,280,705.20
Dividend on preferred stock	2,450,000.00
Deficit, year 1908	1,169,294.80
Surplus December 31, 1907	10,114,998.03

Balance: Surplus December 31, 1908 8,945,703.23

By approval of the board of directors:

WILLIAM H. DWELLY, Jr.,

Treasurer.

I hereby certify that the above statement is correct.

GEORGE R. LAWTON,
Certified Public Accountant.

Mr. WARREN. Mr. President, returning to earlier tariff struggles and the lack of contemporaneous success for wool-grower and manufacturer, and to the bill worked out by the revenue-tariff commission, which was presented to Congress and passed and which became the tariff law of 1867, I have this to say: Barring the time during which the war gave an added stimulus to the woolen business, that act of 1867 was the commencement of the really successful times in the woolgrowing and wool manufacturing industries.

I want to mark as we go along—and this was alluded to by my friend the Senator from Montana [Mr. CARTER] yesterday—that at that time the manufacture of worsteds was almost unknown. Ninety-nine per cent of wool manufacturing was so-called "carded wool," so that whatever influence was exerted in making the tariff of 1867, and whatever benefit accrued, can be charged to the carded-wool industry. There was at that time a call for the so-called "second-class wool" for making a certain class of goods. At that time there was no way of combing the short wools, designated as "No. 1 wools," and so the very rare goods of the day, mostly luster fabrics, were made of combing wool, and it had to be of very long staple.

The growth of the wool industry since has been phenomenal, very largely because of the inventions which have been developed and applied to the industry, and we have gone along to a point where there is really no wool of consequence now grown that is not combing wool.

While the carded manufacturer can use any kind of wool, cotton, shoddy, mungo, flocks, or wastes of any kind that he can get across the cards, the worsted manufacturer must have wool that will comb; the short and long particles must all be separated and drawn lengthwise and put in the form of a fine, highly twisted, hard yarn. That kind of yarn is used in weaving both ways. In the carded-wool industry a softer, coarser, larger yarn may be used and almost any kind of material can go into it.

To show the difference in the density of those yarns and their strength I have here a list. For instance, there are various sizes. In the carded-wool industry the numbers range from 1 to 50; a 1-cut yarn has 300 yards to the pound; a 25-cut yarn, 7,500 yards of yarn in a pound; a 50-cut yarn has 15,000 yards, or nearly 10 miles of yarn, to 1 pound.

In the worsted woolen industry the yarns run from No. 1 to No. 200 in all the even numbers, up to 100, and in even tens from 100 to 200. They start with No. 1, a yarn that has 560

yards to the pound, and they run up to No. 200, which has 112,000 yards in a pound. These figures are for single ply, and to ascertain the number of yards in 2 or 3 ply one may divide the number of yards by 2 or 3, as the case may be.

To show how relatively infinitesimal the wool tariff is when worked out, it will be observed that 1 pound of worsted wool yarn, No. 200, contains a thread over 63½ miles long. The 1 pound of wool in that yarn would reach from Washington to Baltimore and over halfway back.

A pound of wool makes a very great deal of cloth, and what may seem to be a large tariff, applied per pound to wool, sinks into utter insignificance when it comes to the difference in the price of a suit of all-wool clothes of ordinary weight, containing at most only 2 to 3 pounds.

I do not want to enter at this time into the question of trusts and great combinations, but if there is any line of business on this earth that is a hard one for the trusts to get into and manipulate and control, it is the manufacture of wool. It is utterly impossible, in the light of the experience we have had up to the present day, for any trust to be formed to handle the wool of this country. There is an individuality about wool and a difference in wools. The same clip changes from one year to another and the same sheep will bear a different clip on different pastures. So the only way that wool may be safely handled is upon samples, and the way large transactions are handled is upon samples large enough so that they may be taken to a scouring mill and scoured in mill-run quantities. So that, in contradistinction to wheat, corn, and other products, which can have a few grades and numbers easily distinguishable, wool must pass upon its merits and can be bought in small quantities or large quantities.

In the matter of the manufacture of wool a small mill will sometimes manufacture cloth cheaper than a large one, just the same as a man and his wife and two or three children can raise sheep cheaper than any corporation can, because he turns his own interested service and that of his family into the work of raising the sheep. In manufacturing, a mill may be a 2-set mill, which is complete, or it may be a 200-set mill; so that to undertake successfully to form a combination in this industry, as has been done, we will say, in the case of the Steel Corporation or the Standard Oil Company, would be, to my mind, an absolute impossibility. It is true, as I have said, that there is one corporation manufacturing wools—and I may say parenthetically that it is manufacturing both worsted and woolen goods, or carded goods, so called—that has under one management what were formerly 29 companies, but it is not a trust or holding company.

All of those companies but one were bought outright with money or stock of the company, and the two which had mortgage, time securities out were taken in by buying the stock and putting it in the treasury of the company. That company has gone on in the business for some ten years. I have asked, first and last, probably 100 manufacturers of wool whether they felt injuriously the competition of this corporation—the American Woolen Company—in the market as against their interests, and they have all said no, except in so far as the company adds to the volume of manufactured goods.

That company—and I may say the same as to any other company that I know of in the wool-manufacturing business—has never made for any length of time an exorbitant profit. I know of no multimillionaires in the woolgrowing and wool manufacturing industries.

The American Woolen Company has never paid dividends except upon its preferred stock, and then only 7 per cent per year.

The total American consumption of woolen goods a year is valued at approximately \$400,000,000.

The imported portion of this is approximately \$20,000,000.

The woolen goods of domestic manufacture represent a value of approximately \$380,000,000.

The American Woolen Company has manufactured, as its maximum, in some one year, 13 per cent of this domestic production or approximately \$5,000,000.

Last year, 1908, its product amounted to 7 per cent of the domestic production or about approximately \$28,000,000. I will say, in passing, that I have had no communication with the American Woolen Company, nor with any men connected therewith. If I should meet on the street to-day every man connected with that company, I do not know that there would be a single acquaintance of mine among them. I have taken some of the matter from Moody's Manual, and as it is the company's own statement, I assume it to be correct as to organization. The matter relating to the product of its mills is taken from other sources which are thought to be reliable.

It is stoutly claimed that there is no monopoly, nor anything remotely approaching a monopoly, in the woolen business, and owing to the endless variety and grades of fabrics produced there never can be a monopoly. Therefore, in such an industry where there is unrestricted competition, the margin of profit can never be excessive, no matter how much higher than actually necessary the rate of duty may be. And who shall say what rate of duty is necessary to measure the difference in cost of production between America and Europe? A rate that would be exactly protective as against England would be insufficient as against Germany; a rate that would be exactly protective as against Germany would fall short as against Belgium; and a rate that would be effective as against Belgium would fall utterly as against Japan. The essential thing, if the American market is to be kept by the American manufacturer and the American workman kept employed, is to keep the rate of duty high enough as against all foreign competition.

The statement made to the stockholders of the American Woolen Company for last year, 1908, shows that their gross income from sales and other sources amounted to \$29,986,978. Their costs and expenses were \$28,706,273.30, and their profits for the year 1908, before any dividend was made, amounted to \$1,280,705.20. The dividend on the preferred stock required \$2,450,000, so that their deficit for the year 1908 was \$1,169,294.80. Of course they took that from a surplus that had accumulated during more fortunate years, but the surplus since the company was organized—ten years or so ago—has only reached \$8,945,000, and from that must be deducted the above deficit, the depreciation, and so forth.

I have here figures taken from the census—and, by the way, I do not see the Senator from Oklahoma in his seat, but he made a statement the other day concerning a company which had paid very large dividends—the Troy Cotton and Woolen Company—and spoke of a 66 per cent dividend. I want to say that I shall take no issue with him upon the cotton question, because that is not under consideration now. The Troy Cotton and Woolen Company never made a yard of woolen cloth and has no interest whatever in woolen manufacturing. I suppose it adopted the word "woolen" in its name with the intention of going into the woolen business, but during the many years that have since followed it is quite likely that the company has never seen profit enough in the business to enter upon it. I do not know of a single woolen manufactory in the United States that, going back twenty years, has paid a larger dividend than the regular going rate of interest of the State in which the mills are located.

Now, for a moment as to this difference, which one would think from the debate yesterday was a very wide one, between the carded-wool men and the worsted men. I know nothing of their differences, except that I do know that the customs tariff law as we have it to-day is framed, as to wool and woolsens, like the acts of 1867 and 1890; and if the manufacturers had anything whatever to do with it, it was made by the carded-wool men, as they were in the large majority when those acts were approved.

Mr. DOLLIVER. Mr. President, if it will not disturb the Senator, before he passes the subject of the concentration of capital in the woolen and worsted industries, I desire to say a word.

Mr. WARREN. I shall be glad to yield.

Mr. DOLLIVER. I called attention yesterday to the organization of a rag trust, and the Senator in a good-humored way intimated broadly that I was seeing things. I at that time could recall only in a dim sort of way a reference to this rag trust in a trade newspaper. I have this morning the Daily Trade Record, of New York, which seems to be devoted mainly to the textile-mill industries, and in the news portion of it, under the head of "Rags," it says:

New York.—Stockholders of the United Woolen By-Products Company elect directors.

The article then goes on to describe a very interesting controversy between the stockholders and the higher officials of the company, in which the issue seemed to be the retirement of the original organizer of the concern, he refusing and stating he had seen it first and had introduced all the rest of them to a "good thing," and therefore he felt he ought not to retire just as the institution—

Mr. WARREN. Is not that "good thing" very much of the Colonel Sellers order—very much in the future?

Mr. DOLLIVER. I intend to put into the RECORD, if it will not mutilate the Senator's speech, a statement showing where the company has its scattered headquarters. It is a very flourishing institution, to which every carded manufacturer must go if he would purchase the by-products which are useful in his business.

Mr. WARREN. What are the by-products?

Mr. DOLLIVER. I suppose they are these wastes.

Mr. WARREN. I understood that was a rag trust.

Mr. DOLLIVER. It is mainly rags.

Mr. WARREN. What is the name of it?

Mr. DOLLIVER. The clippings of tailor shops.

Mr. WARREN. Those are rags.

Mr. DOLLIVER. The name of it is the United Woolen By-Products Company, so that it deals not only in the by-products of the manufacture—

Mr. WARREN. The Senator means that it proposes to deal.

Mr. DOLLIVER. It is in full blast. [Reading:]

Some change was made in the board of directors * * * at the adjourned annual meeting yesterday, * * * and, while it was stated the meeting was entirely harmonious, it is understood that greater control of the affairs of the company will be assumed by the clothing manufacturers and others actually interested.

Then follow other matters which I will ask the privilege of printing.

Mr. WARREN. It will be found on investigation that this "rag trust" is a myth. I will not burden the RECORD, but if I should take up the record of various "wild-cat" mining companies, with several million dollars alleged capital, which have had quarrels and have elected new boards of directors, the Senator would think it was a good deal in the air. This concern the Senator speaks of I never heard of before. I do not know who called it to his attention. I doubt very much whether they have yet gone very largely into the business, or else somebody must have heard of them. The Senator may have some information—

Mr. DOLLIVER. Somebody sent me that paper for another purpose, and as I was glancing at it my eyes caught the word "rags," and I thought I would inquire about it.

Mr. WARREN. The Senator is not able to give a balance sheet of the company or a statement of the amount of business it does?

Mr. DOLLIVER. Except the testimony of the president, who was refusing to retire under fire, that he introduced his associates to a good thing.

Mr. WARREN. I think, possibly, they may succeed, because they start out in about the same way that the woolen people and the woolgrowers did—with a quarrel.

Mr. DOLLIVER. Not to interrupt my friend too much, he spoke of the struggling character of the business of the American Woolen Company. I happen to have here the president's recent report to the stockholders, in which he gives some very cheerful and optimistic figures, verified, as he says, by the treasurer's report, stating that the new year opened auspiciously, that the orders amount to \$22,000,000, and that the directors have every reason to contemplate a greatly improved year.

Mr. WARREN. What is the date of that?

Mr. DOLLIVER. This is of the date of December 31, 1908.

Mr. WARREN. I am perfectly willing that the Senator should insert it, but I have already had permission to insert the same thing.

Mr. DOLLIVER. Very well. Then I will not encumber the RECORD.

Mr. WARREN. This company shows a loss for 1908, as the Senator will see if he will look upon the fourth page of the report.

Mr. DOLLIVER. There is only one page of it.

Mr. WARREN. Will the Senator let me see it? I think I can call his attention to it.

Mr. DOLLIVER. I do not see how the president could be so cheerful with a loss staring him in the face.

Mr. WARREN. He expects to make it up. If the Senator will look at the third line from the bottom of that page, he will find the recorded loss, of which I speak, of nearly a million and a quarter of dollars.

Mr. DOLLIVER. I will examine it when I have more leisure.

Mr. WARREN. Yes; I hope the Senator will; and I hope the Senator will examine into the rag trust, because I want to be a member of that trust.

Mr. DOLLIVER. I spoke some weeks ago about a proposal still further to consolidate the woolen industry by organizing profitable concentrations, and I quoted, or referred without quoting, to the New York Journal of Commerce, which contained a sort of running prospectus of what was intended to be done. I ask the privilege of printing that statement from the New York Journal of Commerce. It seems to be in the nature of news.

Mr. WARREN. Does the Senator care to put it in just at this point?

Mr. DOLLIVER. No; I will abstain. I do not care to encumber the Senator's speech with my documents.

Mr. WARREN. I leave it to the Senator himself. I think there is a better place than this. I do not know what the document is.

Mr. DOLLIVER. I did not know whether to believe this statement in the newspapers, because there is always more or less hearsay—

Mr. WARREN. Will the Senator give the high point of the statement?

Mr. DOLLIVER. The high point which I was reaching out for here was a circular by bankers in Boston offering, subject to sale and change in price, a limited amount of the United States Worsteds Company 7 per cent cumulative stock, at \$100 a share, which price will net the investor about 7 per cent. It states the number of mills that were to be included in the enterprise. Such a cold business proposition has led me to believe that the New York Journal of Commerce had misinterpreted the situation when it spoke only a month ago, as a matter of news, of the organization of the worsted industry of the country into another great combination. I will not, however, take the Senator's space in the RECORD to print it, but will study it, and will print it in connection with a few observations of my own.

Mr. WARREN. The Senator, of course, has a good ally in the Journal of Commerce.

Speaking of periods of harmony and discord, I will ask the Secretary to read a portion of the report of which I spoke, of the commission which Congress authorized to investigate all matters of revenue—that of wool included. What I send to the desk is with reference to this particular industry.

The PRESIDENT pro tempore. The Secretary will read as requested.

The Secretary read as follows:

WANT OF HARMONY.

It is known that during the rise of the manufacture of wool in Great Britain a want of harmony existed between the woolgrowers and woolen manufacturers which not a little retarded the progress of their industry, lessened their influence with the Government, and damaged their interests in other respects. A similar want of harmony and good intelligence was exercising a like injurious influence here.

As nothing can be more certain than that the industrial interests of these two classes in the United States are substantially identical, it was a principal object to have the fullest possible interchange of opinion between them. Upon the first intimation of the wishes of the commission the necessary conferences commenced and continued for more than six months, without much pause, by conventions and separate and joint committees, in which the various interests of each class and the united interests of both were subjected to a scrutiny so patient, so intelligent, and so discriminating that the utmost deference and weight is due, and should be awarded, to conclusions so carefully prepared.

Joint meetings were held in Syracuse, in the city of New York, in Philadelphia, and in Washington.

As the carefully prepared opinions and statements of these committees will form a portion of this report, it is not proper here to anticipate what is so well stated by them. It was assumed, as a point of departure, that growing wool and increasing flocks of sheep were of national importance with reference to clothing, food, and the general interests of agriculture.

Mr. WARREN. Mr. President, I will ask to print.

The PRESIDENT pro tempore. The Chair hears no objection to the request of the Senator from Wyoming, nor to the request to print which the Senator heretofore has made.

Mr. WARREN. I wish it to be distinctly understood—and I make the statement subject to the challenge of any Senator or Senators present—that at no time in the history of the United States since the imposition of a tariff on woollens has there been any considerable length of time during which either the wool-growing industry or the wool-manufacturing industry was successful unless both were. When I speak of that I do not mean that the woolgrowers have been successful in every State, but I refer to the industry as a whole. And when I speak of the manufacturers I do not say that there may not be mills, or even groups of mills, that have been successful, but I mean the manufacturers of woollens as a whole.

Take the complaint made yesterday by the Senator from Iowa regarding the carded-wool men. I have looked carefully through all they have said and I have looked through the records, and I find that only a small percentage of the carded-wool mills either signed this "round robin" or entertain the views represented by the items read from the desk yesterday and incorporated in the speech of the Senator from Iowa. The records show 747 carded-wool mills, and only 74 signed the protest.

I have a number of tables here, which have been taken from well-known authorities, largely from the census of the United States, and I will ask that they be incorporated in my remarks.

The PRESIDENT pro tempore. The Chair hears no objection.

Mr. HEYBURN. Mr. President, I rise for a question.

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

Mr. WARREN. I do.

Mr. HEYBURN. What effect would it have upon the price of beef if all the mutton were withdrawn from market that furnishes animal food to the people?

Mr. WARREN. It would very materially raise it.

Mr. President, this difference about which I have spoken, if there is one, between the carded-wool manufacturer and the worsted men is of recent date. The woolgrower is equally interested in the manufacturer of carded wool and the manufacturer of worsted if he uses new raw wool and the legitimate wastes therefrom, and not shoddy, rags, and substitutes. If the carded-wool manufacturer happens to be one who uses nothing but shoddy and rags, of course the grower's interest in him is less; but nevertheless the grower stands ready at any and all times to bring about any improvement that can be brought about for the carded-wool men, unless he has to lose his tariff protection on wool by a lowering of the duty on wool wastes which will displace his product.

Mr. President, the question that is now before us is on these wastes. Excepting noils, there is not a single one of them enumerated in the paragraph that is used by the carded-wool men. Of course they can use all classes of wool and wastes, but they do not use them, because the worsted men use all their own wastes except noils. The word "waste" is a misnomer. It is purified wool. It is wool that has passed beyond the stage of scoured wool and is a still cleaner and more valuable product. On the other hand, as to the manufacture of noils, which are mentioned in another paragraph, the noils are useful in making carded wool and are very much sought after; yet they are a natural product of the worsted men, and the more worsted cloth made the more noils in this country, and the more noils made the cheaper the market price of noils.

There has been some controversy about the refined wool article called "tops."

Tops are selected, cleaned, pure, scoured wool, and in making them the wool has lost thus far in process of manufacture a large percentage which must be sold at a greatly reduced price—that is to say, noils and the several forms of wastes. And hence a duty must be levied very much higher than that upon wool itself in order to protect the woolgrower, because if tops come in at a duty relatively lower than raw wool, then the duty on raw wool must be immediately lowered, or the flow of raw wool will decrease and the stream of tops increase, and the rate of duty on raw wool will be practically reduced just that much.

Tops represent the result of the first process from scoured wool toward the manufacture of cloths, yarns, and so forth.

Tops, as such, are first mentioned in the tariff act of 1890, although they would have found a place in the so-called "basket clause" in preceding acts, which provided for manufactures of every description not specifically enumerated. The language of the act of 1890 was as follows:

390. Wools and hair of the camel, goat, alpaca, or other like animals, in the form of roving, roving, or tops, and all wool and hair which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition, not specially provided for in this act, shall be subject to the same duties as are imposed upon manufactures of wool not specially provided for in this act.

And by referring to the paragraph covering woollen and worsted cloths, and so forth, it will be seen that the duty on tops thus became—

On manufactures valued at less than 30 cents a pound, three times the duty on a pound of first-class unwashed wool plus 40 per cent ad valorem.

Valued from 30 cents to 40 cents, three and one-half times plus 40 per cent.

Valued at more than 40 cents, four times plus 50 per cent.

The price of tops abroad has run from 35 cents to 60 cents per pound.

Tops were next mentioned in the act of 1894, which made raw wool free, in the grease or scoured. The duty placed upon tops in that act was 20 per cent ad valorem, the language of the law being as follows:

279. On flecks, mungo, shoddy, garnetted waste and carded waste, and carbonized noils or carbonized wool, 15 per cent ad valorem, and on wool of the sheep, hair of the camel, goat, alpaca, or other like animals, in the form of roving, roving, or tops, 20 per cent ad valorem.

Tops were covered by the Dingley Act as follows:

364. Wool and hair which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition, not specially provided for in this act, shall be subject to the same duties as are imposed upon manufactures of wool not specially provided for in this act.

This clause is exactly, word for word, like that of the 1890 act, except for the omission of the lines in which were enumerated the various forms of wool and hair so advanced, and so forth.

The act of 1894 was not considered to be the woolgrowers' friend, but it did propose to give the wool manufacturers some manner of protection, and the 20 per cent ad valorem duty which Congress then placed upon tops was its conception of the difference in value brought about by the labor performed and by taking out a large percentage of short and less valuable wool.

And even under the act of 1894, when scoured wool could be, and was, imported free of duty, large quantities of tops were imported, notwithstanding the 20 per cent ad valorem difference between scoured wool and tops (equal to a displacement of 20,000,000 pounds of raw wool). This proves the great difference in value between scoured wool and tops.

Probably the reason for specifically mentioning tops in the law of 1890 was the result of a ruling of the Treasury Department officials, following the act of 1883, under Mr. Cleveland's first administration. That ruling permitted "broken tops" to come in as "waste," at 10 cents per pound.

Is it any wonder, then, that the subject of tops became a live wire, and that its consideration challenged the attention of manufacturers and growers alike, but more especially the latter, as this misruling of the department had permitted a product which, according to the act of 1894, was considered to be 20 per cent more valuable than scoured wool, to come in at less than one-third the tariff on scoured wool?

In the Dingley Act it was thought best to allow tops to go back into the "basket clause," where they would bear the same relation to scoured wool as before, except that noils, which compose one of the wastes and amount to practically one-sixth of the scoured wool, were reduced from 30 cents a pound to 20 cents, noils being considered to be worth only 60 per cent of the value of scoured wool.

This reduction of 33½ per cent in noils gave an advantage to carded wool manufacturers and to such other manufacturers, if any, as required noils, domestic and foreign, for use in the manufacture of their product.

Of course whatever wool is imported in noils displaces that much clean wool.

Tops are now made of all grades of wool grown in this country. Nearly every pound we grow can be combed and made into tops with the late inventions of French and American combs, short though the staple may be. Even the taglocks may become handsome combed top.

I have here [exhibiting] a sample of taglock and a sample of top made from similar taglocks. The tags are about as ordinary and unattractive looking a lot as could be shown, while the combed product is smooth and attractive. If all of our home product should be combed, then every pound of it would yield noils; and as the worsted makers who use tops for their yarns can not use their noils, and as the carded wool makers are the only consumers of noils, it would seem that the latter could themselves make the price, for the worsted spinners must dispose of noils in one of the following ways:

First. Sell them to carded-wool manufacturers.

Second. Export them and sell abroad.

Third. Go into the carded-wool manufacturing business themselves.

Again, if our importations are raw wool, then the tops are made therefrom on this side, and the noils also. So there would seem to be no necessity for the importation of noils.

The carded-wool manufacturers are certainly worthy, and we would accord them every attention; but up to this time I have not been able to get from them any plan for a change in duties that does not involve unfavorable results for the woolgrowers.

Ad valorem duties have never been satisfactory.

Mr. President, regarding the carded-wool manufacturers, some of them complain of the schedules. At the time the rates of the wool schedule were determined upon—before the 1867 tariff—very little worsted was manufactured in this country, in fact, scarcely any at all, and, therefore, it was practically all carded wool, and whatever influence was exercised by the manufacturers in gaining this schedule, now deemed too high as to woollen goods, or whatever inequalities, if any, there may be in the tariffs on wools of different shrinkages, came from efforts of the carded-wool men, as they were the dominant party in all of those negotiations. Rates and ratios have not materially changed, but have been much the same in the tariff acts of 1867, 1890, and 1897.

Noils, which seem to be one of the products of which the carded-wool people complain, were made 10 cents lower, or 20 cents per pound in the Dingley Act, while they were 30 cents per pound in the McKinley Act.

Noils are only one of the many waste products, there being very many others, such as slubbing, garnetted waste, ring waste, roving waste, top waste, yarn waste, and thread waste; also the commoner kinds, such as mungo, shoddy, and general waste. Slubbing, garnetted waste, and so forth, are used in the worsted manufactures, the others in the carded manufactures.

We have had various experiences and examples in importing these wastes in their effect upon our domestic wool. Every pound of these wastes imported displaces from 1 to 3 pounds of domestic wool, and of course rags, shoddy, mungo, flecks,

and so forth, are, to an extent, a fraud upon the consumer. They are used to thicken and make cloths heavier. Portions are woven in so that they will stay in place and give some wear as well as warmth, but much of the material rubs off, as many of us know, by finding large deposits in the linings and around the bottoms of our coats and vests. When the Wilson law made all of these wastes free, the tremendous increase in their importation was phenomenal, notwithstanding all kinds of raw wool were free.

In the first year after the passage of the Wilson-Gorman law importations which had been but 1,000,000 or less per annum before, increased to over 20,000,000 pounds, displacing about 60,000,000 pounds of our domestic wool in grease; this, too, when foreign wools came in free. The only protection our people have against the filthy rags and old clothing of foreign countries, which are ground up into shoddy, mungo, flocks, and so forth, for use, is to put a high tariff upon them—I personally wish that it might be prohibitive—so that pure wools may be imported as freely as may be to cover the difference between the amount of wool we raise and the amount we consume.

This would lessen the temptation for this counterfeiting, diluting, and, I might almost say, swindling business of grinding up and selling over and over again for decades and centuries rags and refuse of what was once pure wool and woven into good, honest cloth. But as the Wilson-Gorman Act was a failure—was acknowledged so in every respect as to its effect on wool and woolen imports—I will let it drop for the present as a bygone folly, and will turn back to the effect of the act of 1883, which, while leaving the woolgrowers' rates on wool at satisfactory figures, did not leave margin enough, the manufacturers were not given the proper ratio, and hence they were driven into the use of these wastes.

Imports under act of 1883.

RAGS, SHODDY, MUNGO, WASTE, AND FLOCKS.

Year ending June 30—	Rate of duty.	Quantity.	Value.	Duty collected.	Average price.	Ad valorem.
		Pounds.				Per ct.
1884	10 cents per pound	1,225,360.50	\$533,739.00	\$122,536.05	\$0.436	22.97
1885	do	2,696,517.00	919,771.00	269,651.70	.341	29.32
1886	do	4,902,381.00	1,855,618.00	490,238.10	.379	26.41
1887	do	4,057,731.00	1,576,013.00	405,773.10	.388	25.75
1888	do	8,478,984.00	3,339,480.00	847,988.40	.394	25.39
1889	do	4,985,266.00	2,037,731.00	498,526.60	.409	24.46

CLOTHS.

[Values not exceeding 80 cents per pound.]

1884	35 cents per pound and 35 per cent.	383,055.83	\$242,975.17	\$219,110.83	\$0.634	90.17
1885	do	510,377.80	313,678.81	288,419.83	.615	91.95
1886	do	1,117,564.40	713,315.94	640,808.21	.638	89.81
1887	do	1,736,705.86	1,072,993.27	983,394.69	.618	91.65
1888	do	1,915,138.16	1,124,766.18	1,063,966.68	.587	94.59
1889	do	7,715,276.96	5,156,205.19	4,505,018.35	.668	87.37

MANUFACTURES OF WOOL, N. S. P. F.

[Values not exceeding 80 cents per pound.]

1884	35 cents per pound and 35 per cent.	68,101.25	\$41,807.17	\$38,292.08	\$0.607	92.70
1885	do	99,540.50	61,691.78	56,431.30	.608	91.47
1886	do	123,783.46	80,510.00	71,502.76	.650	88.81
1887	do	109,508.60	62,771.00	60,297.85	.573	96.06
1888	do	304,720.72	121,838.00	114,295.60	.595	93.81
1889	do	290,636.93	157,133.85	146,219.85	.603	93.05

[Values above 80 cents per pound.]

1886	35 cents per pound and 40 per cent.	574,713.39	\$968,955.80	\$600,732.02	\$1.74	60.14
1887	do	993,500.11	1,421,735.00	916,419.10	1.43	64.46
1888	do	700,826.43	1,021,284.28	653,803.05	1.46	64.92
1889	do	594,417.38	905,833.46	570,379.46	1.52	62.97
1890	do	982,690.48	1,458,112.87	929,186.82	1.48	63.59

FLANNELS.

[Values above 40 and not exceeding 60 cents per pound.]

1883	18 cents per pound and 35 per cent.	3,890.63	\$1,939.00	\$1,378.96	\$0.498	71.12
1887	do	4,653.37	2,653.37	1,796.10	.551	67.69
1888	do	310,306.03	158,806.03	111,222.75	.511	70.23
1889	do	367,290.50	189,848.00	132,500.71	.517	69.82
1890	do	266,344.50	142,121.63	97,684.60	.534	68.73

Imports under act of 1883—Continued. [Values above 60 and not exceeding 80 cents per pound.]

Year ending June 30—	Rate of duty.	Quantity.	Value.	Duty collected.	Average price.	Ad valorem.
		Pounds.				Per ct.
1886	24 cents per pound and 35 per cent.	8,985.00	\$6,216.30	\$4,332.10	\$0.602	69.69
1887	do	136,889.00	100,633.33	68,075.03	.735	67.65
1888	do	315,578.13	229,733.65	156,145.53	.728	67.97
1889	do	477,648.72	342,697.34	234,579.32	.717	68.45
1890	do	461,935.88	335,136.14	228,169.45	.725	68.08

[Values above 80 cents per pound.]

1886	35 cents per pound and 40 per cent.	36,920.44	\$39,530.31	\$28,746.29	\$1.07	72.66
1887	do	77,097.15	81,722.45	59,673.03	1.06	73.02
1888	do	228,709.60	254,067.83	189,975.50	1.12	71.23
1889	do	521,470.48	557,301.13	417,435.21	1.13	71.08
1890	do	630,992.30	765,205.77	525,929.68	1.21	68.86

YARNS, WOOLEN AND WORSTED.

[Values above 30 and not above 40 cents per pound.]

1883	20 cents per pound and 35 per cent.*	2,406.33	\$629.51	\$701.60	\$0.262	111.45
1886	12 cents per pound and 35 per cent.	1,258,465.38	471,893.05	316,168.03	.375	67
1887	do	661,683.43	241,074.00	163,706.28	.365	67.90
1888	do	500,949.40	182,735.40	124,071.26	.365	67.90
1889	do	409,050.00	150,052.00	101,604.21	.364	67.71
1890	do	737,762.13	282,054.00	187,130.36	.383	66.35

[Values above 40 and not above 60 cents per pound.]

1883	30 cents per pound and 35 per cent.*	1,938.00	\$909.35	\$939.17	\$0.510	93.77
1886	18 cents per pound and 35 per cent.	1,353,836.75	733,584.41	500,445.20	.542	63.22
1887	do	753,993.72	410,264.12	279,311.35	.544	68.08
1888	do	1,965,028.48	1,094,621.20	740,422.55	.551	67.64
1889	do	2,567,050.06	1,446,064.60	968,193.22	.563	66.95
1890	do	1,198,465.87	637,829.15	445,964.15	.549	67.79

[Values above 60 and not above 80 cents per pound.]

1883	40 cents per pound and 35 per cent.*	87,467.25	\$64,759.15	\$64,759.15	\$0.740	89.03
1886	24 cents per pound and 35 per cent.	1,196,202.56	819,258.82	573,829.19	.685	70.04
1887	do	1,275,814.79	875,280.12	612,550.81	.680	69.08
1888	do	820,656.80	551,819.00	390,004.28	.672	70.69
1889	do	726,023.51	475,973.00	340,838.20	.656	71.61
1890	do	1,180,144.63	795,064.00	561,507.11	.674	70.62

MANUFACTURES OF WORSTED, THE HAIR OF THE ALPACA, GOAT, OR OTHER ANIMALS, N. S. P. F. (EXCEPT SUCH AS ARE COMPOSED IN PART OF WOOL).

[Values above 40 and not exceeding 60 cents per pound.]

1883	30 cents per pound and 35 per cent.*	124,066.50	\$66,950.00	\$60,661.46	\$0.539	90.61
1884	18 cents per pound and 35 per cent.	577,519.25	327,828.00	215,699.31	.568	66.71
1886	do	2,057,737.50	1,125,444.00	764,297.97	.547	67.91
1887	do	1,588,069.60	859,029.70	586,512.92	.541	68.23
1888	do	2,223,739.25	1,231,701.00	831,368.42	.554	67.60
1889	do	3,707,698.97	2,047,427.00	1,383,985.28	.552	67.50
1890	do	618,723.25	275,626.00	189,839.28	.531	68.88

[Values above 60 and not exceeding 80 cents per pound.]

1883	40 cents per pound and 35 per cent.*	374,543.25	\$272,959.00	\$245,352.95	\$0.729	89.89
1884	24 cents per pound and 35 per cent.	777,327.25	500,219.08	382,635.23	.721	68.30
1886	do	2,795,244.60	1,992,840.58	1,368,352.89	.713	68.66
1887	do	3,785,978.00	2,740,630.00	1,867,855.36	.724	68.15
1888	do	4,616,268.85	3,358,232.00	2,238,285.71	.727	67.99
1889	do	5,949,772.34	4,202,352.00	2,898,768.55	.707	68.98
1890	do	600,278.25	354,331.00	244,062.63	.708	68.89

[Values above 80 cents per pound.]

1883	50 cents per pound and 35 per cent.*	438,775.77	\$608,803.00	\$432,468.94	\$1.39	71.04
1884	35 cents per pound and 40 per cent.	1,234,677.25	1,508,724.00	1,035,626.67	1.22	68.64
1886	do	1,483,811.38	2,068,553.03	1,358,755.24	1.41	64.75
1887	do	1,843,256.80	1,469,661.75	1,038,004.68	1.09	71.90
1888	do	1,251,398.58	1,313,851.26	963,580.09	1.05	73.34
1889	do	2,298,026.58	2,576,565.50	1,834,985.58	1.12	71.22
1890	do	1,181,260.88	1,308,514.41	986,847.13	1.11	71.60

* Under act of 1867 rates.

Number of pounds of wool imported in form of wastes or manufactures.

	1883.	1889.
	Pounds.	Pounds.
Wastes.....	3,676,080	25,437,952
Cloths.....	1,187,460	23,462,210
Manufacturers of wool n. o. p. l.....	2,503,155	4,712,668
Yarns.....	319,226	14,042,440
Worsted.....	1,994,556	38,629,880
Total.....	9,680,477	106,285,150

The importations thus shown in the five years from 1884 to 1889 amount to increases from less than one and one-quarter million pounds to almost eight and one-half million pounds; and the number of pounds of wool imported in the form of waste or manufactures increased from 9,680,477 pounds in 1883 to 106,285,150 pounds in 1889.

I submit herewith a table showing the number of sheep in 1840, 1850, 1860, 1867, and every year thereafter, the values being given for each year, beginning with 1868.

I also submit a table of the products, imports, and so forth, of wool for 1840, 1850, 1860, 1864, and from that time up to and including 1908. I want to say in passing that in 1860, when the annual record I submit commenced, we were importing in wools and cloths 42.6 per cent of our consumption. Since that time it has run as low as 11.9 per cent in the year 1868, which was immediately after the civil war, when immense quantities of woollen army stuffs were distributed. It has run as high as 57.8 per cent in 1897; has run above 45 per cent for several years, and in others above 40 per cent. But in 1908—the lowest year—it was but 27.9 per cent.

I call attention to this showing because the claim is often made that protection of the woolgrower is a failure, since the number of sheep is growing less and less, while our wants for wool are growing more and more.

An examination of all of the figures which I have submitted will show:

First. That if we had had a continuance of protection, such as has been afforded for less than half of the time, we would have been growing all of our own wool.

Second. That notwithstanding the many years when we have suffered from insufficient protection, we have nevertheless increased a fair average.

The world's flocks of sheep number practically 500,000,000 head. In 1894 it was nearly 527,000,000, but had decreased up to 1904 to a little over 450,000,000, being a decrease of almost 72,000,000 head, or nearly 14 per cent, which occurred in the countries that did not have protection for the woolgrowers. Some part of it, and quite a large part, was caused by the drought in Australasia. The total number of sheep in Australasia in 1903—at the time of this low ebb in the world's number of sheep—was 75,765,457. But the figures of 1907 show that their flocks have increased with the good seasons and good prices since that time to 108,871,681 head. This increase of 33,106,224 head in four years is extremely interesting, as it shows an increase of about 44 per cent, or 11 per cent per annum, and shows what sheep may do under favorable circumstances.

In this country the sheep are widely distributed. We have no general droughts, such as beset the woolgrowers in Australasia, but, on the other hand, we have to contend with unfavorable weather conditions, high values of land, and lack of pasturage; nor do we have the benefits which the government of Australasia bestows upon the flock masters in that country.

During the consideration of House bill 9051, Fiftieth Congress, second session, on January 21, 1889, Senator Vance, of North Carolina, stated that Australasia led the world in the number of sheep and lambs, and he presented the following tables (CONGRESSIONAL RECORD, vol. 20, pt. 2, 50th Cong., 2d sess., p. 1031):

Table showing the number of sheep and lambs of the principal wool-producing countries of the world.

SHEEP AND LAMBS.		Number.
Russia in Europe (1882).....	47,508,966	
United Kingdom (1886).....	28,955,240	
France (1885).....	22,616,547	
Spain (1878).....	16,939,288	
Germany (1884).....	19,189,715	
Hungary (1883).....	10,594,831	
United States of America (1887).....	44,759,314	
Argentine Republic (1885).....	75,000,000	
Uruguay (1884).....	15,921,069	
Australasia (1884 and 1885).....	78,888,710	
India (1877 and 1878).....	17,140,757	
Cape Colony and Natal (1875 and 1885).....	11,815,225	

Table showing the raw wool produced in each of the principal wool-producing countries of the world.

QUANTITIES PRODUCED.		Pounds.
Russia in Europe (1884).....	262,966,000	
United Kingdom (1885).....	135,936,000	
France (1882).....	80,138,000	
Spain (1878).....	66,138,000	
Germany (1881).....	54,894,000	
Hungary (1885).....	43,146,000	
United States of America (1885).....	302,000,000	
Argentine Republic (1885).....	283,047,000	
Uruguay (1884).....	59,084,000	
Australasia (1885-1886).....	455,470,000	
British East Indies.....	36,354,000	
Cape Colony and Natal (1885).....	46,605,000	

These tables showed that the United States was second in wool producing and fourth in number of sheep and lambs of all the countries in the world.

WOOL PRODUCTION OF THE ARGENTINE REPUBLIC.

Census reports of May, 1905 and 1908, show the following:

	1905.	1908.
Sheep and lambs.....number.....	74,379,562	67,211,754
Exports of wool.....pounds.....	421,098,000	386,981,000

Wool production has to be figured by the wool exportation; and as little, if any, manufacturing of woollens occurs in Argentina, the figures showing exports would be practically the full production.

In order to show the prices of wool, rags, shoddy, wastes, and so forth, I submit here the following tables, which give the market rates on May 15:

Boston wool market—Domestic wools.

[From the Commercial Bulletin, Boston, Mass., May 15, 1909.]

OHIO AND PENNSYLVANIA FLEECES.		
XX.....	34	@ 35
X.....	32	@ 33
No. 1 washed.....	39	@ 40
No. 2 washed.....	39	@ 40
Fine unwashed.....	24	@ 25
Fine unmerchanted.....	26	@ 27
blood combing.....	31	@ 32
blood combing.....	31	@ 32
blood combing.....	30	@ 32
Delaine washed.....	39	@ 40
Delaine unwashed.....	31	@ 32

MICHIGAN, WISCONSIN, AND NEW YORK FLEECES.

Fine unwashed.....	23	@ 24
Delaine unwashed.....	28	@ 30
blood unwashed.....	30	@ 31
blood unwashed.....	30	@ 31
blood.....	29	@ 30

KENTUCKY, INDIANA, AND MISSOURI.

blood.....	30	@ 31
blood.....	29	@ 31
Braid.....	24	@ 25

Scoured values.

TEXAS.		
Fine 12 months.....	65	@ 67
Fine 6 to 8 months.....	58	@ 60
Fine fall.....	53	@ 55

CALIFORNIA.		
Northern.....	63	@ 65
Middle county.....	55	@ 58
Fall, free.....	45	@ 48
Fall, defective.....	37	@ 38

OREGON.		
Eastern No. 1 staple.....	68	@ 70
Eastern clothing.....	60	@ 62
Valley No. 1.....	53	@ 55
Valley No. 2.....	52	@ 53
Valley No. 3.....	47	@ 50

TERRITORY.		
Fine staple.....	70	@ 72
Fine medium staple.....	68	@ 70
Fine clothing.....	65	@ 66
Fine medium clothing.....	63	@ 65
blood.....	65	@ 67
blood.....	62	@ 63
blood.....	65	@ 66

PULLED.		
Extra.....	70	@ 72
Fine A.....	63	@ 66
A supers.....	55	@ 60
B supers.....	46	@ 53
C supers.....	30	@ 35
Fine combing.....	60	@ 65
Medium combing.....	54	@ 58
Coarse combing.....	47	@ 50
California finest.....	65	@ 70
California second.....	55	@ 60

Foreign wools—Classes I and II.

AUSTRALIAN—SCOURED BASIS.		
Port Phillip combing:		
80s.....	88	@ 90
70s.....	84	@ 85
64s.....	78	@ 80
60s.....	74	@ 75

NEW ZEALAND.		
Crossbreds:		
36s to 40s	44	@ 46
40s	45	@ 47
46s	53	@ 57
50s	60	@ 62
56s	63	@ 66
Geelong 46s	57	@ 60
Geelong 50s	65	@ 67
Geelong 56s	68	@ 70
Geelong 60s	78	@ 82

MONTEVIDEO.		
Grease:		
Fine combing	34	@ 35
Primera	31	@ 32
Merino	32	@ 33

ARGENTINE CROSSBREDS.		
Lincoln	29	@ 30
Low $\frac{1}{2}$ blood	31	@ 32
Straight $\frac{1}{2}$ blood	34	@ 35
High $\frac{1}{2}$ blood	35	@ 36

ENGLISH AND IRISH.		
Lincoln wether	29	@ 31
Irish hogs super	37	@ 38
Irish wether	35	@ 36
Shropshire hogs	36	@ 38
Shropshire wether	34	@ 36

CLASS III.		
Aleppo washed	30	@ 32
Angora	16	@ —
Bokhara, colors	15	@ 16
Bokhara, white	21	@ 22
China combing	19	@ 20
China ordinary	14	@ 15
Donskoi combing	28	@ 29
Donskoi ordinary	24	@ 25
Jorias	27	@ 29
Kandahar	26	@ 27
Karadi choice	—	@ —
Karadi ordinary	—	@ —
Khorassan first clip	20	@ 22 $\frac{1}{2}$
Khorassan second clip	19	@ 20
Vickaneer	27	@ 28
Mossul	—	@ —
Scotch	18	@ 19

NOILS.—There was an improvement in demand for all fine noils, both domestic and foreign. Some dealers are well sold up. Coarse grades are also receiving a fair share of attention, and some sellers have advanced their prices during this past week. One-fourth blood noils range from 21 to 26 cents; three-eighths noils, best grades, 32 to 33 cents, lower grades, 28 to 31 cents; one-half blood, 40 to 45 cents, lower grades, 38 to 39 cents; fine domestic noils, 50 cents; fine Australian, 60 cents; fine Australian, carbonized, 65 to 70 cents.

SHODDIES.		
White yarn, best all wool	40	@ —
White knit stock, best fine all wool	30	@ 35
White knit stock, No. 2	25	@ 28
New blue clip, best, fine	22	@ 25
New blue clip	17	@ 18 $\frac{1}{2}$
New black, fine worsted	28	@ 30
Light yarn, extra fine	25	@ 28
Dark mixed, extra fine, and free from cotton and silk	22	@ 24
Medium to coarse goods all-wool yarn	14	@ 16
Red flannel, all wool	22	@ 24
Red knit stock, strictly all wool	22	@ 24
No. 2 dark blue, hosiery, not all wool	14	@ 16
Fine dark merino, all wool No. 1	18	@ 22
Medium dark merino, all wool No. 2	15	@ 17
Fine light merino, all wool	26	@ 28
Fine black merino, all wool	20	@ 26
Medium light merino, all wool	16	@ 18
Fine black, No. 2	17	@ 20
Medium black	14	@ 16
Fancy colors, all wool	20	@ 24

EXTRACTS.		
Regular gray	11	@ 12
Black	13	@ 14
Light	16	@ 18
Fancy colors	14	@ 21
Choice black, strictly fine	20	@ 22

NEW CLIPS.		
Fine merchant tailors' clips	7	@ 8
Merchant tailors' clips	6	@ 7
Factory wool clips	5	@ 6
Choice light	10	@ 12
Ordinary light clips	7	@ 8
Plain blacks	—	@ 7 $\frac{1}{2}$
Fine dark	7	@ 8
Medium dark	4	@ 5
Plain blues	6	@ 8
Black worsteds	14	@ 16
Blue worsteds	10	@ 12
New fancies	12	@ 13
New blue serges	10	@ 11
New black serges	9	@ 10
Mixed unions	13	@ 2
Light unions	2	@ 2 $\frac{1}{2}$
Blue unions	21	@ 2 $\frac{1}{2}$
Fine dark unions	21	@ 2 $\frac{1}{2}$
Ordinary dark unions	11	@ 13
New satinets	1	@ 2
Cloakings	15	@ 3 $\frac{1}{2}$
New blue flannels	15	@ 16
New scarlet flannels	18	@ 19

SOFTS AND MERINOS.		
Soft woollens, best	5	@ 5 $\frac{1}{2}$
Soft woollens, ordinary	4 $\frac{1}{2}$	@ 4 $\frac{1}{2}$
Soft woollens, ordinary	4 $\frac{1}{2}$	@ 4 $\frac{1}{2}$

Soft woollens, old red flannels	10	@ 11
Soft woollens, old blue flannels	6 $\frac{1}{2}$	@ 7 $\frac{1}{2}$
White softs	14	@ 15
Old reds, seamed	13 $\frac{1}{2}$	@ 14
Thibets	17	@ 18
Merinos, fine light	15	@ 17
Coarse light	7	@ 7 $\frac{1}{2}$
Fine dark	9	@ 10 $\frac{1}{2}$
Coarse dark	—	@ 5
Black merinos, fine	10 $\frac{1}{2}$	@ 11 $\frac{1}{2}$
Fine dark flannels	—	@ 8 $\frac{1}{2}$
Seamed	18	@ 20

LINSEYS AND MISCELLANEOUS.		
Linseys, common gray	1 $\frac{1}{2}$	@ 1 $\frac{1}{2}$
Best	—	@ 2
White	—	@ 2 $\frac{1}{2}$
White flannel	—	@ 2 $\frac{1}{2}$
Blues	11 $\frac{1}{2}$	@ 12
Browns, nom	2	@ 2 $\frac{1}{2}$
Plaids	11 $\frac{1}{2}$	@ 12
Mixed woollens	11 $\frac{1}{2}$	@ 11 $\frac{1}{2}$
Old satinets	11 $\frac{1}{2}$	@ 11 $\frac{1}{2}$
Black slatings	2 $\frac{1}{2}$	@ 2 $\frac{1}{2}$
Carpets, wool	—	@ 1
Carpets, hard backs	—	@ 1
Carpets, soft backs	1	@ 1
Carpets, linsey	2	@ 2
Wool hats, skirtd	11 $\frac{1}{2}$	@ 11 $\frac{1}{2}$
Wool hats, unskirtd	11 $\frac{1}{2}$	@ 11 $\frac{1}{2}$
Wool hats, "rob't"	11 $\frac{1}{2}$	@ 11 $\frac{1}{2}$
Felt hats	—	@ 2

KNITS.		
Knit, stock, red	—	@ 10
Brown	7 $\frac{1}{2}$	@ 8
Light gray	7	@ 8
Light fancy	—	@ 8
Fancy stockings	—	@ 8
Blue knit	6 $\frac{1}{2}$	@ 7
Clear hoods	10	@ 11
White knit stock	15	@ 16
White stockings	13	@ 14

CLOTH AND DELAINES.		
Rough cloth	11 $\frac{1}{2}$	@ 11 $\frac{1}{2}$
Skirtd, dark	—	@ 2 $\frac{1}{2}$
Skirtd, light	4	@ 4 $\frac{1}{2}$
Skirtd, blue	2 $\frac{1}{2}$	@ 2 $\frac{1}{2}$
Skirtd, black	—	@ 2 $\frac{1}{2}$
Black serge	4 $\frac{1}{2}$	@ 4 $\frac{1}{2}$
Blue serge	5	@ 5 $\frac{1}{2}$
Black skirtd worsted	—	@ 6
Dark skirtd worsted	4 $\frac{1}{2}$	@ 5
Light skirtd worsted	7	@ 7 $\frac{1}{2}$
Seams mixed	—	@ 8 $\frac{1}{2}$
Delaine skirtd	11 $\frac{1}{2}$	@ 11 $\frac{1}{2}$
Unskirtd	—	@ 2

Old materials.		
WOOL WASTE—ALL WOOL.		
Fine white worsted yarn	45	@ 50
Medium white worsted yarn	28	@ 30
Coarse white worsted yarn	22	@ 24
Carpet white worsted yarn	16	@ 19
Fine colored worsted yarn	15	@ 20
Medium colored worsted yarn	10	@ 16
Coarse colored worsted yarn	7	@ 9
Fine white carded	20	@ 22
Medium white carded	16	@ 18
Low-grade white carded	—	@ 15
Cotton mixed colored	3	@ 5
Burr waste white	8	@ 10
Burr waste dark	2	@ 3
Flyings	10	@ 12
Fine headings	6	@ 9
Sweepings	—	@ 1

FINE ALL WOOL FLOCKS.		
White shear	6	@ 8
Black and blue shear	4	@ 5
Indigo-blue shear	6	@ 7
No. 1 black cut	4	@ 5
Dark black cut	2	@ 3
Light gig	1	@ 2
Dark gig	1	@ 1 $\frac{1}{2}$
Mill flocks	1 $\frac{1}{2}$	@ 2
All-wool fancy shears	1 $\frac{1}{2}$	@ 2
Bones	70	@ 75

As there has been much said in debate about cotton and woolen companies' dividends, I submit the following as to cotton mills' dividends and prices of stocks of such corporations:

A GOOD SHOWING.

[From Fibre and Fabric.]

In view of the improved conditions in cotton manufacture since last fall, it is not surprising that the dividends declared by the Fall River mills for the second quarter of 1909 should make a favorable showing. Out of 35 mills in that textile center only one passed its dividend, the average rate of all being a trifle over 1.59 per cent, or on the basis of 6 $\frac{1}{2}$ per cent per annum.

The showing for the third quarter is likely to be better than that for the second, the improved demand for mill shares and the rising tendency which quotations on the latter have shown lately foreshadowing increased or extra dividend disbursements in some instances in the near future. The mills are doing a good, steady business; and while in most cases the unit of profit is not as large as it has been in some previous years, the surpluses of the mills are being steadily and materially enlarged. Financially, the Fall River mill corporations are in excellent condition, which will benefit stockholders in a substantial way before many months have passed.

COTTON MILL DIVIDENDS—FALL RIVER CORPORATIONS EARNED AN AVERAGE OF 1.59 PER CENT FOR SECOND QUARTER.

The statement of dividends paid or declared by the cotton manufacturing corporations of Fall River for the second quarter of 1909 shows a total of \$396,400 on a total capitalization of \$26,525,000. Excluding the Ancona common, the Barnaby Manufacturing Company's stock, and the increased capital of the Davis Mills and Sagamore Manufacturing Company, in all of which no dividend has been declared, and leaving a total of \$24,925,000 in capital, the total of dividends declared gives an average of 1.59 + per cent.

The Barnaby is the only corporation in the list that passed its dividend. Last quarter it was also the only one to pass. The total amount paid last quarter was \$396,400, and the average, figured with similar omissions of capital, was 2.73 + per cent. A dividend of 25 per cent, part in that quarter, by the Union, was almost entirely responsible for the large average. For the last quarter the Union paid only its regular amount, 1½ per cent. There was only one other change in rate from last quarter, the Troy paying 3 per cent this time.

For the second quarter of 1908 the total amount paid was \$410,025.50, an average of 1.64 per cent. For the first quarter of 1906, \$428,650, average 1.88 per cent; second quarter, \$289,025, average 1.26 per cent; third quarter, \$367,275, average 1.58 per cent; fourth quarter, \$381,895, average 1.74 per cent; 1907, first quarter, \$605,895, average 2.56 per cent; second quarter, \$524,525, average 2.11 per cent; third quarter, \$664,850, average 2.66 per cent; fourth quarter, \$901,350, average 3.60 per cent; 1908, first quarter, \$561,550, average 2.25 per cent; second quarter, \$410,025.50, average 1.64 per cent; third quarter, \$399,642, average 1.45 per cent.

Haffards & Co.'s statement is as follows:

Name of corporation.	Capital.	Rate.	Amount.
American Linen Co.	\$800,000	1½	\$12,000
Ancona Co.	100,000	1½	1,500
Arkwright Mills.	450,000	1½	6,750
Barnard Manufacturing Co.	495,000	1½	7,425
Bourne Mills.	1,000,000	1	10,000
Border City Manufacturing Co.	1,000,000	1½	15,000
Barnaby Manufacturing Co.	350,000		
Chace Mills.	1,200,000	2	24,000
Cornell Mills.	400,000	2	8,000
Conanicut Mills.	300,000	1½	3,750
Davis Mills.	1,250,000	4½	7,500
Devol Mills.	500,000	1½	7,500
Flint Mills.	580,000	1½	8,700
Granite Mills.	1,000,000	2	20,000
Hargraves Mills.	800,000	1½	12,000
King Philip Mills.	1,500,000	1½	22,500
Luther Manufacturing Co.	350,000	1½	5,250
Laurel Lake Mills.	600,000	2	12,000
Merchants Manufacturing Co.	1,200,000	1½	18,000
Mechanics Mills.	750,000	1½	11,250
Narragansett Mills.	400,000	2	8,000
Osborn Mills.	750,000	1½	11,250
Parker Mills.	800,000	1½	12,000
Pocasset Manufacturing Co.	1,200,000	1½	18,000
R. Borden Manufacturing Co.	1,000,000	2	20,000
Sagamore Manufacturing Co.	1,200,000	2	18,000
Seaconnet Mills.	600,000	1½	9,000
Shove Mills.	550,000	1½	8,250
Stafford Mills.	1,000,000	1½	15,000
Stevens Manufacturing Co.	700,000	1½	10,500
Tecumseh Mills.	750,000	1½	11,250
Troy Cotton and Woollen Manufactory.	300,000	3	9,000
Union Cotton Manufacturing Co.	1,200,000	1½	18,000
Wampanoag Mills.	750,000	1	7,500
Weetamoe Mills.	500,000	1½	7,500
Total	26,525,000		396,400

* Preferred.
 * Common.
 * Authorized capital.

* Paid on capital of \$500,000.
 * Paid on capital of \$900,000.

NOTE.—An average of 1.59 + per cent on the above capital, excluding Ancona common, Barnaby Manufacturing Company, and increased capital of Davis Mills and Sagamore Manufacturing Company.

New England mill stocks.

[Specially reported for Fibre and Fabric by A. B. Turner & Co., 24 Milk street, Boston.]

	Latest sale.	Par value.
Amoskeag.	\$301	\$100
American Glue, preferred.	133½	100
American Glue, common.	85	100
American Linen Co.	127½	100
Androscooggin Mills.	204	100
Arlington Mills.	133½	100
Appleton Mills.	152½	100
Atlantic Cotton Mills.	70½	100
Acushnet Mills.	340	100
Bates Manufacturing Co.	290	100
Border City Manufacturing Co.	155	100
Bigelow Carpet Co.	134	100
Boston Belting Co.	200	100
Boston Storage Warehouse Co.	104	100
Cornell Mills.	210	100
Cabot Manufacturing Co.	88	100
Chicopee Manufacturing Co.	103	100
Continental Mills.	88½	100
City Manufacturing Co.	250	100

New England mill stocks—Continued.

	Latest sale.	Par value.
Dwight Manufacturing Co.	\$1,195	\$500
Draper Co., common.	150	100
Dartmouth Manufacturing Corporation.	260	100
Essex Co.	200½	50
Everett Mills.	130	100
E. & T. Fairbanks Co.	300	500
Great Falls Manufacturing Co.	204	100
Hamilton Woollen Co.	80	100
Hamilton Manufacturing Co.	507	1,000
King Philip Mills.	180	100
Laurel Lake Mills.	210	100
Lawrence Manufacturing Co.	170	100
Lockwood Co.	102	100
Lyman Mills.	120	100
Merchants Manufacturing Co.	125	100
Massachusetts Cotton Mills, Lowell.	134	100
Massachusetts Mills in Georgia.	105½	100
Merrimack Manufacturing Co., common.	51	100
Merrimack Manufacturing Co., preferred.	95	100
Naumkeag Steam Cotton Co.	130	100
Nashua Manufacturing Co.	517	500
Pocasset Manufacturing Co.	150	100
Pacific Manufacturing Co.	2,500	1,000
Pepperell Manufacturing Co.	305	100
Richard Borden Manufacturing Co.	102½	100
Plymouth Cordage Co.	230	100
Sagamore Manufacturing Co.	185	100
Tecumseh Mills.	150	100
Tremont and Suffolk Mills.	129	100
Union Cotton Manufacturing Co.	240	100
Wamsutta Mills.	138	100
Whitman Mills.	150	100
West Point Manufacturing Co.	130	100

And I submit the following as to profits in wool manufacturing:

THE PROFITS IN THE WOOL MANUFACTURE.

LETTER TO THE COMMITTEE ON WAYS AND MEANS BY THE NATIONAL ASSOCIATION OF WOOL MANUFACTURERS, SUBMITTED FEBRUARY 10, 1909.

BOSTON, MASS., February 9, 1909.

HON. SERENO E. PAYNE,

Chairman Committee on Ways and Means,

House of Representatives, Washington, D. C.

DEAR SIR: It is an assertion as old as the protective policy itself that the tariff on wool and woollens enables the manufacturers to heap up inordinate profits from their industry, and that their business is and always has been one of the most lucrative in the world. In our address of December 2, 1908, before your committee, we took the ground that the wool manufacture, as a rule, had yielded only a moderate rate of profit; that it had not proved especially attractive to investors; that stocks of corporations engaged in the industry were not eagerly sought and were rather difficult to dispose of; that dividends were relatively small; and that exceptional cases of large gains had been due to accretions of capital during a long series of years remaining uncanceled—that is, to the undercapitalization or to extraordinary skill and good fortune in management. We cited the fact, brought out upon a careful inquiry by Gen. William F. Draper, that 65 representative Massachusetts manufacturing corporations, many of them textile concerns, had made in a decade an actual profit on the par value of their stock of a little less than 5 per cent.

We submit herewith an elaborate analysis prepared by Mr. Frank A. Ruggles, statistician, showing the average annual net earnings of a large number of New England textile corporations, most of them engaged in the manufacture of cotton, but seven of them engaged either wholly or partly in the manufacture of wool. This analysis covers a twenty-year period, and we believe that it is in many ways the fullest statement of the kind that has thus far been prepared. It will be observed that 38 cotton-manufacturing companies included in this analysis show an average net return of 6.38 per cent on their average capital stock, and that seven companies engaged in wool or wool and cotton manufacturing show an average net return of 7.08 per cent on their average capital stock. Considering the peculiar hazards of the wool-manufacturing industry, because of the capricious changes of fashion, requiring frequent alterations in machinery as well as in the products of the mills, we think it must be agreed that these are no more than reasonable rates of profit, no more than fair compensation to the manufacturers for the risks they run, and, indeed, no greater profits than are derived from other manufacturing industries or from important business undertakings in other sections of the country.

BOSTON, MASS., December 19, 1908.

MR. WILLIAM WHITMAN,

President National Association of Wool Manufacturers,

Boston, Mass.

DEAR SIR: Herewith I hand you condensed and detailed statistics covering the financial operations and stock-market fluctuations for the past twenty years of 44 companies and for the past ten years of 1 company, the list comprising 38 engaged in cotton, 3 engaged in wool, and 4 engaged in wool and cotton together.

This list of companies includes all of those whose stocks have been bought and sold with reasonable frequency in the Boston market over a period of twenty years.

Accompanying this letter are 3 compilations, marked A, B, and C, and 45 separate sheets, covering in detail the record of each company by single years, giving capitalization, par value of stock, dividends paid, and record of public sales of stock for each year, the high and low quotations being taken.

Common stock which has been issued as a bonus with preferred stock is omitted from these compilations.

Schedule A covers the operations of all the companies for the period from January 1, 1889, to December 10, 1908, and gives the average capitalization for the period, the average annual net return after de-

ducting losses in capital from dividends paid, and the percentage of net return on the average capital stock.

From Schedule A we derive the following results:

Forty-five companies, with an average capitalization of \$77,156,615, have shown an average net return for twenty years of \$5,148,775 per annum, or 6.67 per cent on the average capital stock.

Five of these companies, three engaged in cotton, one in wool, and one in wool and cotton together, with an average capitalization of \$31,662,100, have shown an average net return for the twenty years of \$2,896,742 per annum, or 9.10 per cent on the average capital stock.

Excluding these five companies, the remaining forty companies with an average capitalization of \$45,494,515 have shown an average net return for the twenty years of \$2,252,033 per annum, or 4.95 per cent on the average capital stock.

Thirty-eight cotton companies with an average capitalization of \$45,209,247 have shown an average net return for twenty years of \$2,886,353 per annum, or 6.38 per cent on the average capital stock.

Seven companies, all engaged in wool or wool and cotton together, with an average capitalization of \$31,947,368 have shown an average net return for twenty years of \$2,262,422 per annum, or 7.08 per cent on the average capital stock.

Schedule B supplements Schedule A by giving the operations of all the companies in two decades separately, the first from 1889 to 1898 and the second from 1899 to date.

From Schedule B we derive the following results:

Forty-four companies with an average capitalization of \$53,022,875 during the decade 1889-1898 showed an average net return of \$3,243,573 per annum, or 6.12 per cent on the average capital stock.

Thirty-eight companies engaged in cotton, with an average capitalization of \$44,548,000 during the decade 1889-1898 showed an average net return of \$2,613,330 per annum, or 5.87 per cent on the average capital stock.

Six companies, all engaged in wool or wool and cotton together, with an average capitalization of \$8,474,875 during the decade 1889-1898, showed an average net return of \$630,243 per annum, or 7.44 per cent on the average capital stock.

Forty-five companies with an average capitalization of \$78,883,830 during the decade 1899-1908 have shown an average net return of \$5,341,485 per annum, or 6.77 per cent on the average capital stock.

Thirty-eight companies engaged in cotton, with an average capitalization of \$45,810,630 during the decade 1899-1908 have shown an average net return of \$3,068,435 per annum, or 6.70 per cent on the average capital stock.

Seven companies, all engaged in wool or wool and cotton together, with an average capitalization of \$33,073,200, during the decade 1899-1908 have shown an average net return of \$2,273,050 per annum, or 6.87 per cent on the average capital stock.

Schedule C shows the market selling value of the stocks of all the companies on January 1, 1889, July 1, 1899, and December 10, 1908, based on quotations recorded at public auction sale in Boston, the offerings in practically every case consisting of a few shares. The schedule also includes additional capital invested during the period and the total dividends paid.

From Schedule C we derive the following results:

The market value of the stocks of forty-four companies on January 1, 1889, was \$62,798,850 and on July 1, 1899, it was \$61,389,950, showing a depreciation of \$1,408,900. There was invested in these companies during that period \$2,270,000 of additional capital, so that the total depreciation for the ten years was \$3,678,900.

The market value of the stocks of forty-two companies on July 1, 1899, was \$67,775,450 and on December 10, 1908, it was \$117,683,200, showing an appreciation of \$49,907,750. There was invested in these companies during that period \$35,940,000 of additional capital, so that the net appreciation was \$13,967,750.

Excluding from this last compilation the stocks of four companies, two engaged in wool and cotton together and two engaged in cotton, the market value of the stock of the remaining thirty-eight companies on July 1, 1899, was \$46,996,650, and on December 10, 1908, it was \$76,625,000, showing an appreciation of \$29,628,350. There was invested in these companies during that period \$29,820,000 of additional capital, so that the comparison actually shows a depreciation for the period of \$191,650.

The market value of the stocks of forty-two companies on January 1, 1889, was \$58,306,350, and on December 10, 1908, it was \$84,433,200, showing an appreciation of \$26,126,850. There was invested in these companies during that period \$13,210,000 of additional capital, so that the net appreciation has been \$12,916,850, an average of \$645,840 per annum, or about 1 1/2 per cent per annum appreciation on the selling price January 1, 1889.

Excluding from this last compilation the stocks of 5 companies, 3 engaged in cotton and 2 in wool and cotton together, the remaining 37 companies had a market valuation of \$41,392,850 on January 1, 1889, and of \$43,375,000 on December 10, 1908, showing an appreciation for the period of \$1,982,150. There was invested in these companies during that period \$6,190,000 of additional capital, so that there has been a net depreciation in the market value of these 37 companies during the past twenty years of \$4,207,850.

Respectfully submitted.

FRANK A. RUGGLES,
Statistician.

Average capitalization, average annual net return after deducting losses from dividends paid and percentage of return on average capital, 1889-1908.

Company.	Product.	Capital.	Net return.	Per cent.
Ætna	Wool	\$288,750	\$14,250	5.3
American Woolen	do.	22,375,000	1,566,250	7
Amory	Cotton	1,212,647	90,530	7.46
Amoskeag	do.	4,143,000	477,880	11.53
Androsoggin	do.	1,000,000	83,000	8.6
Appleton	do.	517,500	825	
Arlington	Wool and cotton	2,762,438	243,247	8.8
Atlantic	Cotton	1,000,000	33,000	3.3
Bates	do.	1,160,000	126,000	10.83
Boott	do.	1,140,000	11,376	
Boston Duck	do.	350,000	45,400	13
Cabot	do.	724,000	20,220	2.8

* Wool and cotton since purchase of Manchester in 1905.

* Loss.

Average capitalization, average annual net return, etc.—Continued.

Company.	Product.	Capital.	Net return.	Per cent.
Chicopee	Cotton	\$890,625	\$10,944	
Cocheco	do.	1,500,000	15,000	1
Continental	do.	1,500,000	7,500	1.5
Dwight	do.	1,200,000	142,800	11.9
Edwards	do.	1,021,250	72,500	7.1
Everett	do.	700,000	34,350	4.9
Fisher	do.	472,500	27,100	5.74
Franklin	do.	862,500	24,500	2.84
Great Falls	do.	1,500,000	149,250	9.95
Hamilton	do.	1,800,000	81,900	4.55
Do.	Wool and cotton	1,000,000	30,250	3.02
Hill	Cotton	980,000	31,300	3.2
Jackon	do.	600,000	38,600	6.1
Laconia	do.	(Merged with Pepperell in 1899.)		
Lancaster	do.	1,140,000	7,500	.66
Lawrence	do.	1,218,750	75,000	6.15
Lockwood	do.	1,800,000	92,700	5.15
Lowell Bleachery	do.	335,000	1,700	.5
Lyman	do.	1,470,000	56,595	3.85
Manchester	Wool and cotton	2,666,180	15,300	.75
Massachusetts	Cotton	1,800,000	101,700	5.65
Merrimack	do.	2,930,000	133,813	4.57
Middlesex	Wool	750,000	30,375	4
Nashua	Cotton	1,000,000	79,250	7.92
Naumkeag	do.	1,500,000	56,250	3.75
Newmarket	do.	745,000	23,800	
Otis	do.	800,000	79,200	9.9
Pepperell	Wool and cotton	2,725,000	362,750	13.3
Pacific	Cotton	2,419,100	489,832	20.2
Salmon Falls	do.	600,000	18,300	3.05
Thorndike	do.	529,875	47,138	8.9
Tremont and Suffolk	do.	1,672,500	121,600	7.27
York	do.	975,000	70,800	7.26
Grand total		77,156,615	5,148,775	6.67

* Loss.

* Includes Laconia for entire period.

NOTE.—Operations of Amory and Manchester are for seventeen years and American Woolen since organization in 1899.

An examination of these figures and the great difference in the cost of scoured wools and the various wastes substituted show clearly the constant temptation for the use of the cheaper product, and it shows me—and I think it will be plain to any thoughtful person—the necessity of keeping the tariff rate on wastes at high figures, so that, while the wastes from our own product in this country may still be used, and doubtless will be used, we will not have the added rags and cast-off substitutes of foreign markets.

Table showing number of sheep in the United States.
[Sheep not enumerated prior to 1840.]

January 1—	Number.	Value.
1840	19,311,374	
1850	21,773,220	
1860	22,471,275	
1867	39,385,386	
1868	38,991,912	\$98,407,809
1869	37,724,279	82,139,979
1870	40,853,000	93,364,433
1871	31,851,000	74,035,837
1872	31,679,300	88,771,197
1873	33,002,400	97,922,350
1874	33,928,200	88,690,569
1875	33,783,600	94,320,652
1876	35,935,300	93,666,318
1877	35,804,200	80,892,683
1878	35,740,500	80,603,062
1879	38,123,800	79,023,984
1880	40,765,900	90,230,537
1881	43,576,899	104,070,759
1882	45,016,224	106,594,954
1883	49,237,291	124,365,835
1884	50,626,626	119,902,706
1885	50,390,243	107,960,650
1886	48,322,331	92,443,867
1887	44,759,314	89,872,839
1888	44,544,755	89,279,926
1889	42,599,079	90,640,369
1890	44,336,072	100,659,761
1891	43,421,136	108,397,447
1892	44,938,365	116,121,290
1893	47,273,553	125,909,234
1894	45,048,017	89,186,110
1895	42,294,064	66,085,767
1896	38,298,783	65,167,735
1897	36,818,643	67,020,942
1898	37,656,930	92,721,133
1899	39,114,453	107,697,530
1900	41,883,065	122,665,913
1901	50,756,718	178,072,476
1902	62,039,091	164,446,091
1903	63,934,876	168,315,750
1904	51,630,144	138,530,090
1905	45,170,423	127,331,850
1906	50,631,619	179,056,144
1907	53,240,232	204,210,129
1908	54,631,000	211,736,007

Table showing United States product, imports, etc., of wool.

WOOL PRODUCED, IMPORTED, EXPORTED, AND RETAINED FOR CONSUMPTION: QUANTITIES, 1840, 1850, 1860, AND FROM 1864 TO 1908.*

Year ended June 30—	Production. ^b	Exports of domestic.	Domestic retained for consumption.	Imports.	Exports of foreign.	Foreign retained for consumption.	Total consumption, domestic and foreign.	Per cent of consumption, foreign.
	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	
1840 ^c	35,802,114		35,802,114	9,898,740	85,328	9,813,212	45,615,326	21.5
1850	52,516,969	35,898	52,481,061	18,695,294		18,695,294	71,176,355	25.3
1860	60,264,913	1,055,928	59,208,985	26,282,955	137,064	26,420,019	85,629,004	30.6
1864	123,000,000	155,482	122,844,518	91,250,114	223,475	91,473,589	213,318,107	42.6
1865	142,000,000	466,182	141,533,818	44,420,375	679,281	44,741,064	186,274,882	23.6
1866	155,000,000	973,075	154,026,925	71,287,988	852,045	70,435,943	224,462,868	31.0
1867	160,000,000	307,418	159,692,582	38,158,382	619,614	37,538,788	197,231,360	19.0
1868	168,000,000	558,435	167,441,565	25,467,336	2,801,852	22,669,188	190,107,049	11.9
1869	180,000,000	444,387	179,555,613	39,275,926	342,417	39,618,343	219,173,956	17.8
1870	162,000,000	152,892	161,847,108	49,230,199	1,710,053	47,520,146	209,367,254	22.7
1871	160,000,000	25,195	159,974,805	68,058,028	1,305,311	69,363,339	229,338,133	29.4
1872	150,000,000	140,515	149,859,485	126,507,409	2,343,937	128,851,346	278,660,831	45.3
1873	158,000,000	75,129	157,924,871	85,496,049	7,040,386	73,456,635	231,381,516	33.2
1874	170,000,000	319,600	169,680,400	42,939,541	6,816,157	49,755,698	219,436,098	17.5
1875	181,000,000	178,064	180,821,936	54,901,760	3,567,627	58,469,387	239,291,323	22.1
1876	192,000,000	104,768	191,895,232	44,642,836	1,518,426	43,124,410	235,019,642	18.3
1877	200,000,000	79,599	199,920,401	42,171,192	3,088,957	39,082,235	239,002,636	16.3
1878	208,250,000	347,854	207,902,146	48,449,079	5,962,221	42,486,858	250,389,004	16.9
1879	211,000,000	60,784	210,939,216	39,005,155	4,104,619	34,900,539	245,839,755	14.2
1880	232,590,000	191,551	232,398,449	128,131,747	3,648,520	124,483,227	356,881,676	34.9
1881	240,000,000	71,455	239,928,545	55,964,236	5,507,584	61,471,820	301,400,365	17.3
1882	272,000,000	116,179	271,883,821	67,831,744	3,831,836	64,023,580	335,907,401	19.0
1883	290,000,000	64,474	289,935,526	70,575,478	4,010,043	66,585,521	356,521,047	18.7
1884	300,000,000	10,393	299,989,607	78,350,651	2,304,701	76,045,950	376,035,557	20.0
1885	308,000,000	88,005	307,911,994	70,596,170	3,115,339	67,480,831	375,392,825	18.0
1886	302,000,000	147,023	301,852,977	129,084,953	6,534,426	122,550,322	424,403,600	28.9
1887	285,000,000	257,940	284,742,060	114,088,030	6,738,202	107,300,738	392,051,798	27.4
1888	269,000,000	22,164	268,977,836	113,558,753	4,359,731	109,199,022	378,176,858	28.9
1889	265,000,000	141,576	264,858,424	126,487,729	3,263,094	123,224,635	388,083,069	31.8
1890	276,000,000	231,042	275,768,958	105,431,285	3,288,467	102,142,818	377,911,776	27.0
1891	285,000,000	291,922	284,708,078	129,303,648	2,638,123	126,665,525	411,373,603	30.8
1892	294,000,000	202,456	293,797,544	148,670,652	3,007,563	145,678,215	439,475,759	33.1
1893	303,153,000	91,858	302,961,142	172,433,888	4,218,637	166,652,525	469,613,667	35.7
1894	298,057,384	520,247	297,537,137	55,152,586	5,977,407	49,175,178	346,712,315	14.2
1895	309,748,000	4,279,109	305,468,891	206,033,906	2,343,081	203,690,825	509,159,716	40.0
1896	272,474,708	6,945,981	265,528,727	230,911,473	6,026,236	224,885,237	490,413,964	45.9
1897	259,153,251	5,271,535	253,881,716	350,852,026	3,427,834	347,424,192	601,305,908	57.8
1898	266,720,684	121,139	266,599,545	132,795,202	2,504,832	130,290,370	396,889,915	32.8
1899	272,191,330	1,683,419	270,507,911	76,736,209	12,411,916	64,324,293	334,832,204	19.2
1900	288,636,621	2,200,309	286,436,312	155,928,455	5,702,251	150,226,204	436,662,516	34.4
1901	302,502,328	199,565	302,302,763	103,583,505	3,590,502	99,993,003	402,295,766	24.9
1902	316,341,032	123,278	316,217,754	166,576,966	3,104,663	163,472,303	479,690,057	34.1
1903	287,450,000	518,919	286,931,081	177,137,790	2,992,995	174,144,801	461,075,882	37.8
1904	291,788,032	319,750	291,468,282	173,742,834	2,863,663	170,579,781	462,048,063	37.0
1905	295,488,438	123,961	295,364,477	249,135,746	2,437,697	246,698,049	542,062,526	45.5
1906	298,915,130	192,481	298,722,649	201,088,668	5,450,378	196,238,290	494,960,939	39.6
1907	298,294,750	214,840	298,079,910	208,847,545	3,231,908	205,615,637	493,695,547	40.0
1908	311,138,321	182,458	310,955,863	125,080,524	5,684,357	120,296,167	431,252,030	27.9

* Does not include data with respect to commerce between the United States and its insular possessions after June 30, 1900.

* From estimates of the Department of Agriculture prior to 1896; from 1896 to date estimated by the secretary of the National Association of Wool Manufacturers.

* Year ended September 30.

The following is an estimate of the world's supply of wool:

[From the Daily Trade Record, New York.]

The American Wool and Cotton Reporter, in its issue of September 7, publishes the results of exhaustive researches to determine if the present world-wide elevation of wool prices is based on the fact, as is alleged, that the supply of wool is now smaller than the world's consuming demand, and that the price elevation is therefore likely to be permanent. The paper's conclusions are that no great quantity of wool can come here from any of the outside markets of the world. The result of its handling of the problem is as follows:

	Head.
World's flock of sheep in 1895.....	526,867,135
World's flock of sheep in 1904.....	455,046,936
Decrease in 9 years.....	71,820,199

Or 13½ per cent.

With the exception of the United States, all of this decrease has been in countries that do not have a tariff for the protection of woolgrowing.

The number of sheep in the United States in 1895—before the destructive effects of the free-wool Wilson tariff act had yet done its full damage—was 42,294,064, and in 1904 was 40,121,477, a decrease of only 5 per cent, while the flocks of the whole world, including those of the United States, during the same period, decreased 13½ per cent.

Mr. President, I want the Members of the Senate who are interested in the wool question to keep in mind one thing, that the tariff on wool and woollens is not as it may seem from a cursory glance, but is a mere bagatelle when you come to compare the total amount, if any, that a family could possibly save if there were no tariff upon wool and woollens. The total wool consumption of the United States is but little over 1½ pounds of scoured wool per capita. I do not know that there is as much as a billion pounds of scoured wool produced in the world. There never has been more than 2,600,000,000 pounds of wool in the grease grown in the entire world, which would average a shrinkage of at least 60 per cent in cleansing. This country grows from one-eighth to one-tenth of the total wool grown in the world, and it uses between one-fourth and one-

fifth. That difference must be made up in some way, and all that is asked by both parties, the woolgrower and the wool manufacturer, is that the woolgrower may have an opportunity to increase his flock so that he may cover this deficit and be able to furnish all if possible, and to give the manufacturer sufficient tariff protection so that he may manufacture, first, the wool of this country, and then, if there is a deficit, bring in the raw wool from other countries in its natural state, and not in manufactured fabrics, thereby giving employment to a great number of men and women. If you disturb these relations you are bound to cut down the supply of wool grown here, you are bound to put laboring people out of employment here, and putting them out of employment in one industry simply overcrows others.

So it seems to me perfectly plain that we are not interested in bringing in goods manufactured from any kind of wool. If fashionable tailors want to have upon their shelves, as they do to-day, a lot of cloths for gentlemen who wish to pay any price asked for a suit and do not want any other man in the country to have a suit like it; if tailors want to send abroad and order a certain number of pieces, each for one suit of clothes, and put them upon their shelves and charge fabulous prices for making them, that is a matter between the fastidious wearers and the tailors. We need not care how much they pay for such clothing if we are able to furnish, in the meantime, all necessary clothing for the poor and rich alike, and leave no necessity for bringing in woven material in woollens. We certainly injure no workingman, no consumer, regardless of what that tariff may be, because the relation of capital to labor and the relation of the industries to cash-seeking, interest-paying investments, have always made, and always will make, in this industry, a competition that will render it impossible for the cloth manufacturer to get more for his cloth on an average than what will just about pay the interest upon the capital invested.

Such has been the history of this industry, and there is no reason why it should not continue. While the whole world is producing only about two and a half billion pounds of wool in grease, and we are producing an eighth or more of it, and might produce as much more if properly cared for, with a continuous, fair, protective tariff on wool, we have no right to complain because the percentages must be high on the very few pounds per capita that we use. It is not a matter of percentages or increases or decreases. What this Nation is interested in is net results. Are we clothing our people in good clothing at cheap prices? Yes; never more so than at the present hour. Was there ever a time when we were clothing them in rags or in clothing that was an aggregation of rags that could hardly hold together? Yes. When was it? It was during free-wool times.

It was after we had been importing shoddy to the extent of only about a quarter of a million pounds per year, which importations we increased to about 40,000,000 pounds during the three years while wool was free. Our people did not want free wool. They needed shoddy. For, as a matter of fact, the people were so infernally poor during those three years under the Wilson-Gorman Act that all they could do was to buy shoddy clothing, and mighty little of that.

Mr. President, yesterday there was some inquiry made about the different processes of woolen manufacture. We were asked what we meant by carded wool and what we meant by worsted wool, and what were the various stages through which wool had to pass to become cloth. I am tempted to take a little time to give some information that I may be able to give.

We will start in the manufacture of worsted yarn, and I may say that in the manufacture of cloth, except in feltings, there must always be yarn. So, while it may not be necessary to go beyond that, it is rather necessary for us to understand the course of the wool from the sheep's back to yarn.

Here is something of the process of worsteds. We start with wool which first has to be assorted and put into its various grades, fine, medium, coarse, and so forth. Then, in well-regulated mills, it goes through a duster, which, in part, cleans it and takes out a portion of the dust and foreign substances by sending currents of air through it. This reduces it about 12½ per cent in weight. It then goes into the scouring vat, and that is the most interesting proceeding. Passing out of the scouring, we get what is known as scoured wool and a further shrinkage of all the way from 15 per cent to 50 per cent, according to the character of the wool. Then it goes through a process of drying, and after the process of drying it must be carded. Here is where the two industries, if they do not meet, are similar, because they use cards in both industries. The difference is stocking up the cards with worsted. In the carding there comes one of the products they call "waste," termed "card balls." It then goes through a process called "back-washing," which more thoroughly cleanses it. Observe, please, how many stages the wool has to go through after it becomes scoured wool, which, by many, is believed to be the acme of refinement.

You will observe further how many stages it has yet to go through before it becomes cloth, and how many stages the product called "waste" has to go through after it starts from scoured wool. Here come the card waste and card strips and card fly, all of them pure wool, and yet all termed "waste"—waste for the moment to the worsted manufacturer, but stock supply later on—which goes right back with the other stock and becomes yarn again.

From the back washing it again goes through the drying machinery. From there it starts in on a series of machines in a process called "gilling," and there comes out of the first gilling, after the back washing, the "back-wash noils;" there comes in the second gilling, "gill balls;" in the third gilling, "combed balls."

I want to say that noils are the only product in waste that carry any amount of impurity. The noils come from scoured wool; they are the shorter fibers, because in worsted the whole plan of the worsted is the length of fiber, whether short or long, that can be laid parallel and that can be twisted into fine yarns.

All these wastes were shown here as exhibits yesterday by the Senator from Montana [Mr. CARTER], every one in clean, white, pure wool.

From the third gilling it goes to the combs. Formerly combing wool was looked upon as quite a rarity. It was supposed that it must be long wool, that you could pull out in straight, long fibers in your hand and twist it and make yarn without the use of machinery. It is the second-class wool, the rate of duty on which is so much complained of by our carded-wool friends, who say that the carded-wool men have the disadvantage of having to buy for their product all heavy wool, that shrinks in percentages running from 60 to 80, while the second-class wool

the worsted man buys is a class of wool that shrinks 16 to 20 per cent.

As I remarked yesterday, that is a fallacy long since exploded, because in second-class wool between 6 and 7 per cent only of the total importations, and 4 to 5 per cent only of the total consumption, have been of that class, on an average, in the last sixteen years, and even that has not gone into the worsted fabrics commonly worn by men and women in suits, but has gone into braids and luster goods. The entire growth of second-class wool is used for that purpose.

In combing wools formerly there were the luster combs, and the fiber had to be long in order to produce the product desired by worsted men.

Following the worsted processes already mentioned, there are ten more processes before we reach yarn, and during these processes seven kinds of so-called "waste products" are made, all of which are purified wool and go back into the best stock.

In carded woolen goods the scoured wool goes—after burr picking—to the cards and then to the mule and is spun into yarn. From yarn to the finished product the process is much alike in both worsted and carded-wool products.

I am going to show you here a product about as villainous looking as you ever saw in wool [exhibiting]. Here are the tags, all refuse, short in staple, ugly in appearance, crooked, and matted as you see them. Yet, Mr. President, with the machinery of to-day that wool becomes noils. This sample was taken from a lot of 50,000 pounds of tags that had fallen from perhaps a million pounds of wool. It was refuse. In former times if a man had talked of putting such material into worsted he would have been thought fit for a madhouse. The grease wool shrank 80 per cent in scouring, and in making "top" 39 per cent went to noils. Yet to-day they make that product, which, while it is slightly discolored, is nevertheless in texture a very good sample of what we term "tops." This is the progress which we have made since 1867, when the foundation was laid for our present schedule of tariffs.

Now, Mr. President, of what avail is it to rail against No. 2 wool, of which we consume only 5 or 6 per cent, and say that because its shrinkage is but 16 to 20 per cent the woolgrowers shall submit to the importation, at 20 cents a pound, of a clean product of wool called "noils" into which over 2 pounds of wool in grease to each pound of noils must enter, thereby bringing the tariff upon our wool in grease down to less than one-half of what it is now?

The pretense, Mr. President, that the woolgrower is to be benefited by a change in regard to this second-class wool will hardly bear the light of investigation if it shall develop that when we get another article of scoured wool called "tops," wool refined several times after it is scoured, it shall be brought in here at a tariff rate which would be much less than the present duty rate upon our wool.

Mr. President, it is just as easy to import into this country wool in the form of tops; it is just as easy to import it in the form of these several wastes; in fact, a great deal easier than it is to import it as wool. Therefore our interest as woolgrowers is that every pound of "waste," so called, that is imported shall bear a tariff in proportion to the tariff borne by the wool in its original state.

Mr. McCUMBER. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from North Dakota?

Mr. WARREN. I do.

Mr. McCUMBER. While the Senator is discussing that feature of the subject, I should like to have him make clear to the Senate why in the doubling and trebling of the rates we have doubled, not only in this bill, but in all the previous bills, on class 1 if it is washed, and three times the amount if it is scoured on class 2, with no additional if it is washed, but three times the amount if it is scoured. Why is class 2 left out of the last proposition, even though it may be only 7 per cent of whatever it may be? I want to have that made as clear as the Senator can make it.

Mr. WARREN. I want to discuss this question with the utmost frankness, and I want to say to the Senator that objections of that kind have been filed at meetings of woolmen and woolgrowers all the way down the line, but they have had to accept a great many disappointments, small and great. This one is usually a very small one when it is explained, first, that the percentage is very, very small, and, second, that that class of wool is grown only upon sheep raised principally for mutton.

Mr. McCUMBER. Why should we compel him to waive a right? What difference will it make whether that sheep can be used for mutton or otherwise, so far as his right to have the same duty upon the washed wool of the second class is concerned?

Mr. WARREN. I was about to pass on to the further fact, which perhaps will explain more fully that the mutton sheep are naturally an open-wool sheep. The shrinkage of their wool in the grease is very light. It scours to a slight percentage, and, as I said before, does not enter into competition with No. 1 and No. 3 wool to any great extent.

Mr. DOLLIVER. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Iowa?

Mr. WARREN. Yes.

Mr. DOLLIVER. If the Senator from Wyoming will not be interrupted, the importations in 1907 of the second-class wool seemed to be in excess of twelve million, the total importations of wool outside of carpet wool being about ninety million. I think I may safely say to the Senator that it is running now at a rate that would amount to twenty-four million this year if it goes on as it has since last winter, which would make that variety of wool nearly one-fourth of our importations this year, and that variety in direct daily contact with the price of all the wool that is produced in States like Minnesota, Iowa, and even in the Dakotas.

Mr. WARREN. The Senator yesterday quoted the amount of wool at nine million and something, and I corrected him, by saying that it was more. It is true that it is nearly 12,000,000 pounds, including the pulled wool and the wool that comes in on skins, the entire product of No. 2, that is brought to this country, and it is also true that there were nearly 200,000,000 pounds of the other classes of wool brought in in the meantime.

Mr. DOLLIVER. One hundred million of that practically is carpet wool.

Mr. WARREN. No; not so much as that; and, furthermore, a very large proportion of third class, or so-called "carpet wool," goes into clothing, and a great deal more into blankets, as the Senator himself surely knows.

Mr. DOLLIVER. In 1897 it was only claimed that one-fourth of the carpet wool had ever gone into clothing; and that is the Bagdad wool. We took Bagdad wool out of the carpet class and put it into the clothing class.

Mr. WARREN. I beg the Senator's pardon. Documents in the archives of the Senate and House will show that it was not merely one class of wool that went into clothing, and also that the woolgrowers made a statement before the House committee that large quantities of carpet wool, as now imported, go into clothing and blankets. I have the report of it here, and I will bring it out at the proper time if the fact is disputed. Some of them claimed that as high as 80 per cent of that wool went into clothing. I do not believe so much as that went into clothing, but quite a large percentage of such wool goes into clothing and other manufactures outside of carpets, as the Senator knows and as every Senator knows who has investigated the subject. The sixteen years last past show that only about 7 per cent of the importations were second-class wools.

Mr. DOLLIVER. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Iowa?

Mr. WARREN. I do.

Mr. DOLLIVER. I dislike exceedingly to get into a controversy, especially on a statistical matter, with my honored friend from Wyoming about wool, but I have sought authority on the subject of what proportion of wools now called "carpet wools" have been used for clothing, and every authority I have cited, many very good ones, nonpartisan in this controversy, said that years ago there were certain wools described as "carpet wools" which did in a measure enter into the total volume of clothing wools mentioned there, especially made of Bagdad wool, which was of a character that could be converted to the use of clothing manufacture. But Bagdad wools were taken out of the list of carpet wools in 1897, and I have authority which, I think, nobody will question, certainly not without producing contradictory authority, that at present these wools that are down in our tariff law because they are carpet wools and because they are not produced at all here are of such a character that enter in no way in competition with clothing wool.

Mr. WARREN. We have the assertion of the Senator, and I respect it very much. I place my assertion alongside of it that there is a large quantity. I am perfectly willing to enter into a contest with the Senator in the filing of statistics, and on any line he may see fit, if it is only comprehensive.

Mr. DOLLIVER. I will bring them, with pleasure.

Mr. WARREN. So we will dismiss that subject for the present.

As to this paragraph, when we vote upon it we vote upon something in which the carded-wool men really have no interest—I will say that they have not the slightest interest in it, except such interest as they may have in scoured wool. The only benefit to the carded-wool men and the only benefit to the worsted men would be a reduction of the tariff on it so that the duty would be reduced upon imported wool, which would take the place of the woolgrowers' product.

Mr. DOLLIVER. If the carded-wool people have no interest, who has? What becomes of the product which the woolgrowers have?

Mr. WARREN. What becomes of the product? It all goes back into the products of the worsted mills.

Mr. DOLLIVER. But the knitting people and felt people write me that they are buying all classes of these wastes.

Mr. WARREN. But the Senator must differentiate. If he will examine his correspondence, he will find a differentiation between noils and all the other wastes. But I am speaking of these particular classes of wastes. All of them are used in the yarn mills. I have visited several mills. All these wastes go right back into the yarns that are manufactured by the worsted men.

Mr. DOLLIVER. What I wanted to impress on the Senator was that my investigations have got upon my back the troubles of a great variety of people besides the carded-wool people. I am almost as much disturbed by the protests of people who are engaged in the manufacture of knit goods and felt goods, who seem to be in almost as much trouble as the carded-wool people.

Mr. WARREN. Mr. President, I am glad the Senator has called my attention to that; and I want to assure the Senator that there is not a single manufacturer of woolen goods or of cotton goods with a little wool who would not like to have his raw material cheaper than he now has it; and if he can get his material in the form of waste cheaper than he can in the form of raw wool, he, of course, wants it that way. Where does that end? It simply means that he proposes to gouge the wool-grower out of a part of the tariff protection which belongs to him in order that it may be used in knitting or felting or cloth or anything else. It comes down to that. It is not a matter of the manufacturers, it is a matter of the woolgrowers. It is a matter that enters in competition against his wool.

The waste can be used by the knitting people, but they do not have to have it; it can be used by the felting people, but they do not have to have it; it can be used by the carded-wool men, but they do not have to have it; it can be used by the worsted mills right where it is manufactured without any loss, and is so used, and it is not an article of general sale to-day, all things being equal, unless a mill is equipped with only part of the machinery and does only a part of the process of cloth making.

Mr. DOLLIVER. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Iowa?

Mr. WARREN. I do.

Mr. DOLLIVER. These people represent to me that these wastes and noils differ.

Mr. WARREN. The noils do differ. I am not speaking of the waste referred to in the paragraph now before us and upon which we must first vote. Noils are not included in this paragraph.

Mr. DOLLIVER. For example, there are camel's hair tops as well as wool tops, are there not?

Mr. WARREN. The Senator from Iowa is probably as well versed about camel's hair as I am.

Mr. DOLLIVER. The bill says "hair of the sheep or camel's hair."

Mr. WARREN. It does.

Mr. DOLLIVER. "Or of other animals." Now, there are thousands of very humble manufacturers making horse blankets out of the refuse of the carpet mills—refuse in the form of noils and not top wastes; wastes that are of no value to anybody except these humble manufacturers—and that which follows here is of no importance to the woolgrower in any sense of the word, so far as I can see. Yet these cheap, worthless noils and cheap wastes and yarn waste, that have to be used by the humble manufacturer of horse blankets, bear the same top-waste duty that is assessed on these magnificent specimens of the spinner's art which were exhibited here yesterday by my honored friend from Montana [Mr. CARTER].

Mr. SMOOT. Mr. President—

Mr. WARREN. If the Senator will possess himself in patience for a moment, I will show just what kind of waste I am talking about and the kind of wastes that are referred to in this paragraph upon which we are called to vote. Then I shall ask the Senator whether they are refuse or whether they are material fit to be used only in carpets or coarse fabrics.

Mr. SMOOT. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Utah?

Mr. WARREN. I do.

Mr. SMOOT. I merely want to state to the Senator from Iowa that the carpet makers do not use combs for making their yarns. They simply use them as three-set carded—first breaker, second breaker, and finisher.

Mr. PAGE. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Vermont?

Mr. WARREN. I do.

Mr. PAGE. I should like to ask the Senator from Wyoming if he can not explain to the Senator from Iowa [Mr. DOLLIVER] why it is that the manufacturers of worsteds are able to use such a large percentage of this so-called "waste?" I should like to have him explain the improvement in machinery which permits the use of a shorter wool than was used ten years ago. It seems to me that that would be instructive to him.

Mr. WARREN. I thought I had covered that in speaking of the different combs. Of course, it is hard to describe what a comb is and what the process of combing wool is; but I will state briefly, if I may, something that will give that idea.

In making worsted woollens, the combing process means the straightening out of the particles, bringing them parallel with each other, and arranging the fibers so that, as one overlaps the other, when they are woven into yarn they may make a continuous, long, strong thread. The shorter wools in the carded product—I will show some samples here that will give the idea—go into a soft, spongy sort of yarn that is not so tightly twisted. That goes into the cloth and then is sheared and sometimes "plastered over." I will term it, with flecks and other material that will remain in the cloth a short time and make a heavy, fine fabric.

I want to say here in all sincerity that I have just as much interest in the carded-wool men as I have in the worsted men, and I have no interest in either except a desire that both may succeed; but the moment that the worsted-wool men undertake to say that the sheep growers shall yield a part of their protection so that the worsted men's profit may be more, or the carded-wool men ask the same, and the proper equilibrium is disturbed, so that the sheepmen make nothing and the manufacturers make all, that is where I want to call a halt. In the carded-wool business they make beautiful cloths. There are beautiful cloths for ladies' wear and men's wear—broadcloth, and so forth—but the large line of carded-wool goods is made up of shoddy, of rags that have been torn up—short material. While it is warm and thick, yet it does not always meet the fancy of the American people.

The style will go one year one way and another year another way. I have known that, because I have been more or less interested every season for many a long year in the price of wool. Sometimes that which is best fitted for the carded-wool men goes up, while the worsted wool goes down. Sometimes the worsted wool goes up, and that of the clothing style goes down. The carded-wool men of late have had a series of years of dull business, and many of them have put in worsted looms. On the other hand, many of these so-called "worsted mills" have put in carded-wool machinery, owing to the lack of market for their noils, because of no demand for them.

Mr. PAGE. Just one word.

Mr. WARREN. I wish merely to finish this.

To-day I think I see, and I have for some months seen, a rising sun in the horizon of the carded-wool men, and I hope that it may go that way. I have every reason to hope and believe so. But the main difference is, that it has got to be pretty well understood that worsted goods are woven of wool; that is, they are claimed to be, unless they are made on a cotton warp; that the man who buys them is getting an all-wool fabric; that he is getting a fabric that does not necessitate his opening the seams of the lining and outside cloth to take out a bunch of flecks occasionally; and it is the same on heavier goods. It has got to be known that the cheaper stuff can get into the carded wool, and does get in.

Therefore in my opinion the carded-wool men have partially destroyed their own industry, and largely because they were forced to it under the Wilson-Gorman law, when it was almost impossible to get a sufficient price for cloth to cover a better article than that which was made of all flecks and of rags.

Mr. PAGE. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Vermont?

Mr. WARREN. I do.

Mr. PAGE. Has there not been some material improvement in machinery, so that since 1897 the man who makes the worsteds can use a very much shorter staple than he could then?

Mr. WARREN. Yes.

Mr. PAGE. I remember well that the wool puller, in pulling, measures the wool on his fingers, and that it must be long enough to reach over the second knuckle, or it is not long enough to go into the class known as "combing suitable for worsteds." We make in wool pulling a B-combing, a B-long, a B-medium, and a B-lamb; and formerly it all had to go into the spinner's wools except the B-combing. The B-long is now used for worsteds, and we have had a demand for that for the past two years that has taken it as fast as we could make it, while the carded wools, the shorter wools, have been absolutely unsalable. I imagine that the change in the machinery since 1897 may be something that we will have to take into account in considering this matter. I should like to know more about it than I do.

Mr. WARREN. Mr. President, the Senator from Vermont alludes to the time of the old Lister comb, when, as he says, a long wool was necessary in combing and in making worsteds. To-day, under the French comb and under the American comb, namely, the Heilman and the Noble, almost anything can be combed. It is a mere matter of whether it can be combed. But now, as to the tags. I have shown tags out of a lot of 50,000 pounds; a small proportion are really combed and put in the flocks, although that is not a profitable proceeding. The shrinkage of that, first, in washing was 80 per cent, and then 39 per cent in noils. The shrinkage in way of noils in the ordinary combing is about one-sixth; that is, 16½ per cent.

Mr. SMOOT. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Utah?

Mr. WARREN. I do.

Mr. SMOOT. I was manager of a woolen mill for over twenty years, and during that whole time I never sold one pound of waste made in the manufacture of woolen. It was all put back and made into the cloth that was manufactured at that mill. The worsted people can not do that. What the Senator from Wyoming has said in relation to wastes, that we are discussing now, is true—namely, that they are different from noils. The worsted people, after the noils are taken out by combing, can not use those noils; but all the woolen mills use their waste from their products, and they buy thousands and hundreds of thousands of pounds more in the mixing and in the making of woolen goods.

Mr. WARREN. I may cite right there, Mr. President, a curious fact in connection with the wool industry. At the time when I was a boy, in the town where I was born, there were several woolen mills, and I used to spend a great deal of time in the mills, because at that time the farmers' daughters and farmers' sons worked in the factory and considered it no disgrace. I was often in those mills and have seen the work go on. They were then making the old-fashioned satinettes and broadcloths. They were then, as now, seeking to manufacture something cheaper from day to day, and I am sorry to say that I used to see evidences, as many another man has, of their trying to use adulterants to cheapen the cost without lowering the selling price.

From that day until now the changes have been great; but the provisions of law in regard to wastes and tops of wool were made at the time when there were practically no worsted manufactories in this country. The changes that have occurred since are not chargeable as being against the interests of the carded-wool men, or, if so, wilfully so. The carded-wool men have had the tariff as nearly like they wanted it as any class of manufacturers have, and it seems to me almost pathetic that they come down here now and demand that, because they are using one class of the wastes of the worsted manufacturers, Congress shall put the iron to the worsted manufacturers and give the carded-wool men an advantage that they never claimed before when they had the entire market and the entire subject within their control.

Mr. CARTER. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Montana?

Mr. WARREN. I do.

Mr. CARTER. Mr. President, it occurs to me that this subject has been confused by the commingling of two distinct paragraphs in a discussion which should properly be directed to only the paragraph upon which we are about to vote. It is clear to my mind—and I think it is important to recognize the distinction throughout—that there are certain products of the

worsted manufacture that the worsted manufacturer must sell, because he can not use the so-called "waste."

This class of by-products, if you please, is called "noils," and is not being dealt with in the paragraph under consideration at all, but will be reached in paragraph 369, noils being classed in that paragraph with shoddy, wool extract, yarn waste, thread waste, and so forth. I understand the fact to be that the worsted manufacturers do not sell any part or portion of the alleged waste designated in paragraph 368, but that every part and portion of these so-called "wastes" is recast into tops, being of the quality of tops, and ultimately run into yarn in the worsted manufacturing establishments.

The noils, constituting a product of the worsted manufacturing establishment, sold to others because of no use in worsted manufacture, will be reached in the very next paragraph, and I think the discussion of the proper treatment of the noils and the arrangement of these duties should not be injected into the discussion of a paragraph which does not in any sense whatever deal with the noils or the duty to be placed upon them.

Mr. President, the Senator from Wyoming has the samples there to show that top waste is refined, scoured wool, and is of precisely the same quality as the tops from which they are torn; that they are returned to tops at inconsequential expense, and used in the manufacture of worsted yarn and worsted goods. The same is true of slubbing waste, of roving waste, of ring waste, and of garnetted waste, which is a waste the product of a machine invented by a man named Garnet. The machine does not deteriorate the quality of the wool, nor put it into such form as to prevent the recasting of the mass into the form of tops, thence into slubbing, and finally into yarn. The noils are cast aside for sale, and the noils are taken care of in the next paragraph on a different basis.

Mr. WARREN. Mr. President, what the Senator has said is true, and this discussion from the commencement has rather hung upon the whole field of so-called "wastes." As I have said before, the term "wastes" to me seems like a misnomer, in that while they are wastes in one sense, in another they are refined wool and more valuable than scoured wool, from which they are made. We are talking now about top waste, slubbing waste, and roving waste.

Mr. McCUMBER. Mr. President, let me ask the Senator if there are any of those things mentioned in paragraph 368 that can not be used in the worsted mills themselves?

Mr. WARREN. There is not one of them but what can be so used and is used.

Here, Mr. President [exhibiting], is top waste. Perhaps I ought to show, in the first place, the commodity called "scoured wool." Some people have the idea that scoured wool is absolutely clean.

Mr. DOLLIVER. Mr. President, if it will not disturb the Senator from Wyoming—

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Iowa?

Mr. WARREN. I do.

Mr. DOLLIVER. Is it not true that a very large number of worsted mills confine their operations entirely to weaving the yarn, leaving out the manufacture of tops and all of the various stages of yarn manufacture?

Mr. WARREN. The Senator probably means that they buy the products all the way as the process advances?

Mr. DOLLIVER. At the various stages of procedure.

Mr. WARREN. As it proceeds from scoured wool to yarn.

Mr. DOLLIVER. For instance, many of them buy their tops and manufacture their yarns, and then proceed with the manufacture of cloth.

Mr. WARREN. Undoubtedly.

Mr. DOLLIVER. Does not that create sometimes a commercial relation between these wastes in the manufacture of worsted yarns and the public?

Mr. WARREN. Mr. President, as to some of them, yes; but if the Senator will take any commercial paper in which market quotations are given, he will fail to find some of these things which we are now talking about, because, as I said before, they are used by the manufacturer in the first case. Of course there is no juncture in the manufacture of woollens preventing a product being bought and used by another. But I was speaking of scoured wool.

Here [exhibiting] is a little scoured wool, which I myself took from a large quantity. That passes the world over as scoured wool. The tariff on that wool is 33 cents in its present shape; and yet, Mr. President, if you go through that you will find, for instance, a cocklebur. There is one there [exhibiting], and you find smaller burs; there is one there [exhibiting], and you find vegetable matter, straw, hay, and so forth, which the soap and other ingredients in the bath have not taken out. That is scoured wool, and is a product that is known as such the world

over. You would naturally suppose that scoured wool, worth three times what wool in the grease is worth, is perhaps the best product; but here we have what is called a "waste."

This [exhibiting] is top waste. I think you will see the difference even from the chair in which you sit. This [exhibiting] is yet full of impurities, which must be taken out. This [exhibiting] has had all the impurities extracted. These are the short pieces of tops that can not go out into the long line of tops, of which one piece only perhaps forms a large ball; and, while it is refined wool, it is called "top waste," and that is one of the wastes that we are now about to vote upon.

Mr. JONES. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Washington?

Mr. WARREN. Certainly.

Mr. JONES. I understood the Senator from Iowa [Mr. DOLLIVER] yesterday to take issue on this very proposition to which the Senator is now referring in relation to top waste. The Senator from Iowa contended that this top waste had impurities in it, and all that sort of thing.

Mr. DOLLIVER. The article which I had the opportunity to exhibit on yesterday was not a top waste; it was the noils, a portion of the fleece that is left after the tops are combed out of it.

Mr. JONES. I understood the Senator from Iowa, in answering the Senator from Montana, to claim that what the Senator from Montana exhibited was not top waste.

Mr. CARTER. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Montana?

Mr. WARREN. I do.

Mr. CARTER. Mr. President, the Senator from Iowa referred, as I understood, to the noils, as he now states. His objection was not based upon any reference to the quality of the tops made of the scoured wool with the noils eliminated. He did object to the cleanliness of the samples presented, and, in order to show that the noils exhibited were cleaner than noils usually appear, the Senator exhibited noils from a black sheep, or some noils that had been stored in a coal scuttle for a time, and thus apparently blamed my exhibit because it was too clean. [Laughter.]

Mr. PAGE. Mr. President, just a word. Is it not true, I would ask the Senator from Wyoming, that all of the vegetable matter in these noils can, by carbonization, be taken out, so as to make it absolutely clean?

Mr. WARREN. It not only can be taken out, but it is taken out. I want to say, in regard to the complaint of the carded-wool men, that, as the Senator from Montana has stated and as I have stated before, the truth is that the paragraph under consideration is one that concerns the worsted men alone, and in which the carded-wool men have no interest whatever, except that the carded-wool men can put almost anything across their cards into cloth from the finest and best wool made to the ordinary piece of an old carpet or a horse blanket; so that in the manufacture of carded wool, with the proper preparation, everything is used—flocks, shoddy, old rags, old carpets, horse blankets, and everything else.

I do not wish to say that to cast any imputations upon carded wool as such, because the carded-wool men, as I said before, make some of the most beautiful fabrics that have ever gladdened the eye of a man or that have ever emptied his pocket to buy a white broadcloth suit for his wife.

Here [exhibiting] is another sample of scoured wool—one I picked out of a lot "hit or miss." There is a bur in that wool weighing almost as much as the wool itself. That is scoured wool; but, as you see, it has not only got burs in it, but it has got splinters and straw and chaff. That all has to go through further machinery.

Speaking of the noils for a moment, I will show before I close my remarks the difference between carbonated noils and noils proper. If the worsted men should assert their rights, they would ask us to put a great difference between carbonized noils and straight noils, because the noils do carry a lot of impurities and vegetable matter; even after the burring machine has taken out these large amounts, there are bits of straw and other matter. Carbonizing takes out everything in the line of vegetable matter, but does not injure the animal matter, so that the noils that may carry 16 per cent shrinkage, by carbonizing carry nothing; and yet we put just the same tariff on carbonized noils as on the other.

The consequence is that under the rate of tariff which is proposed here for noils, we are only putting 20 cents a pound, whereas there is 33 cents upon this character of wool [exhibiting]. We put 20 cents a pound upon something that is more valuable to the carded-wool manufacturer, far more than this [exhibiting], because, in the first place, it has been refined down

from this [exhibiting]. By taking out all of this matter that is left in scoured wool proper, it is worth more to him than is the scoured wool itself. Carbonized noils ought to carry a duty of nearer 40 cents a pound than 20 cents a pound.

Under the old style the carded-wool man could only buy wool and scour it and manufacture his cloth; to-day, on account of the worsted men, he has a market in which to buy noils at a cheap rate and get almost or quite pure wool.

I do not blame the carded-wool man for buying wherever he can buy cheapest. I do not blame him for taking advantage of this opportunity that has been given him by the worsted men; but when they make a product which has put money in their pockets to take the worsted mill man by the throat—the man who made it possible for them to get this product—and say that they, the carded-wool men, shall make the price upon it, it is, in my opinion, too much. The worsted man can not use the noils. The noils are the one by-product that he can not use. He has no other market on earth for noils except with the carded-wool men, unless he himself makes noils into cloth by putting carded-wool machinery into his factory.

Mr. NELSON. Mr. President—

Mr. WARREN. One moment. So that here we have a product made by the worsted men that is needed by the carded-wool men, and can only be sold to the carded-wool men, and the carded-wool men can make their own prices, it seems to me.

Mr. NELSON. If I understand the Senator from Wyoming correctly, he makes this differential duty in favor of waste, as between that and the scoured wool, because of the removal of the dirt and impurities in the wool as it is advanced in production.

Mr. WARREN. You mean between scoured wool and fleece grease wool.

Mr. NELSON. No; I mean between scoured wool, the wool you held up, and what you call "top waste." You held in one hand a sample of scoured wool, and then, in the other, what you called "top waste."

Mr. WARREN. Top waste.

Mr. NELSON. Why do you want a higher duty on top waste than on scoured wool?

Mr. WARREN. I think if the Senator will look at these two samples, it will carry the idea.

Mr. NELSON. What is the idea?

Mr. WARREN. One is free of impurities, and the other is full of them.

Mr. NELSON. What is it?

Mr. WARREN. Because this has impurities in it and the other has not.

Mr. NELSON. If that is the case, why do you not apply your doctrine to paragraph 364? Let me read:

The duty upon wool of the sheep or hair of the camel, Angora goat, alpaca, and other like animals, of class 1 and class 2, which shall be imported in any other than ordinary condition, or which has been sorted or increased in value by the rejection of any part of the original fleeces, shall be twice the duty to which it would be otherwise subject—

This is what I wanted to call your attention to—

Provided, That skirted wools as imported in 1890 and prior thereto are hereby excepted.

I find by turning to page 468 of the Tariff Notes this statement:

The fleece of a sheep after being sheared and before sorting resembles the form or shape of the sheep. The fleece is first laid on the sorting table, and the poorest part and the dirty edges torn off. This process is known as "skirting" the fleece.

I find under paragraph 356 of the act of 1890 there is an exception provided, "that skirted wools as now imported are hereby excepted." Now, what is the effect of this? You take a fine piece of wool and trim off all the exterior, all the dirty trimmings, and you have the perfect fleece inside, and that you except from the provisions of this paragraph. In other words, you state first that any wool which has been sorted or increased in value by the rejection of any part of the original fleece shall pay twice the duty, and then in the next breath you state, practically, that skirted wool shall be exempt.

Mr. WARREN. What act has the Senator before him?

Mr. NELSON. I have the present bill—127.

Mr. WARREN. The Senator probably knows that that was put in the McKinley bill when he was a Member of the House.

Mr. NELSON. No; I was not in the House when the McKinley bill was enacted. But why do you not live up to the principle in that paragraph?

Mr. WARREN. That is the one exception which was demanded of the woolgrower, and that has been conceded, and, I may say, with bad grace and heartburnings on the part of a great many of them. It is the live wire that has made great trouble between the woolmen and the manufacturers. They have had many a tussle over it, but it is a practice that has gone on from time immemorial, that the Australian—the heavy-

shrinking—wools are sold to countries near by, and they bring over here a wool that shrinks perhaps 55 per cent, that might shrink 65 per cent or 70 per cent, if it was altogether the whole fleece. Hence they skirt the fleeces; the main fleece comes here and the tags, and so forth, go to other countries.

Mr. NELSON. The entire fleece?

Mr. WARREN. Yes. The other paragraph—

Mr. NELSON. If the Senator will allow me, I do not intend to interrupt him—

Mr. WARREN. I am very glad to have the Senator do so.

Mr. NELSON. I do not interrupt him for the purpose of embarrassing him. But it seems to me that is a great incongruity and unfairness and discrimination in this bill, which ought to be cured. Does it not so strike the Senator, where you make this discrimination between the scoured wool and the wool tops, as you call them? You make that difference because one is of greater value than the other, has been improved; it has not as much dirt in it, as much rubbish. Now, why, after you take a fleece of wool and take off all the dirt and the trimmings, should you make an exception as to that class of wool? That is not a fair discrimination. Is not that a discrimination in favor of the foreign wool, the Australian wool, of which the Senator spoke?

Mr. WARREN. The Senator is a little wrong, because we do not charge, and the proposition is not to put the tariff upon these several wastes as we have on scoured wool, although they are cleaner wools. They do not carry all the fiber, and hence the price is 30 cents a pound, proposed, instead of 33 cents.

Mr. NELSON. The Senator is mistaken. Skirted wool—

Mr. WARREN. I will come to that in a moment. I am talking of waste.

Mr. NELSON. Let me understand the terms. Skirted wool is not the dirty wool, but the fleece trimmed off is the skirted wool.

Mr. WARREN. Certainly; that is what I intended to say. But the Senator is wrong in saying we are charging more on these wastes that I have exhibited than on scoured wool. We charge less.

Mr. NELSON. I did not mean that. I mean there is an undue discrimination in that case. You say, where any change or modification or improvement has been made in the wool it shall pay double the duty. You say that in one part of the law, and then in the next that skirted wool shall be immune from this provision.

Mr. WARREN. The Senator will understand that "skirted" means that the balance must be of one fleece.

Mr. NELSON. But the double rates do not apply to it.

Mr. WARREN. One moment; if the Senator will curb his impatience I will try to show. The character of this fleece is the same. They all represent honestly what they are. But that other, I will not say it is a penalization, but it is a preventive of frauds in undertaking to mix low and high qualities of wool together from different fleeces and of different kinds and get them in here under the lowest classification, which applies only to a percentage of the wool.

Mr. NELSON. I want to call the Senator's attention to the fact that the exception in the law permits the fraud, because but for that exception in the law skirted wool would come in under the double rate, like the other wool. It is the exception that permits the fraud.

Mr. WARREN. There is no fraud about it after you have named it in that way, the Senator will allow. As I said before, it has been found necessary, in undertaking to protect as well as we may all interests, that the woolgrower must have a market with the wool manufacturer, and he must have a margin, so that he may be prosperous; and these heavy wools are skirted, way back in the country where they grow, and the skirted wool, which becomes the main part of the fleece, comes in here. The other part makes equally fine goods, but it goes to other countries or is manufactured at home. The skirted wools are yet dirty, or in grease, as the term is.

The other proposition about mixed or damaged wools is to prevent first and second class wools from being mixed with third-class wools and having the tariff apply only to third class. The skirted wools can not be mixed—the different kinds; they must all be of the same kind.

Mr. President, about these wastes, I have just shown a sample of top waste, which is the first mentioned here. The next is slubbing waste. That is represented by this [exhibiting], which, as will be noticed, is refined wool. The next is roving waste. That is a similar product, only instead of being in the large rope or roving, is in the smaller rope, as it is preceded in gilling toward yarn making, but, as will be seen, that is a refinement of wool which carries it beyond the scoured wool.

The next mentioned is ring waste, and here [exhibiting] we have the ring waste, which, it will be noticed again, is very pure

wool, from which not only the dirt and grease but all the vegetable matter has been taken.

Here are the thread wastes. We have garnetted waste [exhibiting]. Here [exhibiting] is the garnetted waste. This is of a different character, because the finer bits that have been twisted up and become matted or closely assembled are separated again and put back as nearly as may be into all clean, pure wool. This again goes into machinery, and all these that I have shown come out as worsted woolen yarns. Upon those we have only 30 cents in this amendment, while on scoured wool we have 33. The carded-wool men do not use them. The worsted men do.

I have here some samples that I took out of the hopper as they were making some yarns for carded-wool or knit goods. This [exhibiting] is the stock that was in the hopper as it started to go into the set of cards. A part of that is cotton. A part of it is made of rags, picked to pieces and washed clean, and a very little of it is wool.

It passes across the first and second cards, and coming out of the condensing cards it is in that form [exhibiting]. From there it goes into another process and comes out in that form [exhibiting], which is from rope to yarn, to use the ordinary phrase, not to go into technical terms. Then there are the various processes from there. There is the warp yarn and the filling yarn. Then it goes to the loom, is made into cloth, comes out from there, and is burred and crabbed, steamed, dyed, carbonized—carbonizing takes out the vegetable matter. Then it is shorn—shears run over it to make it even. That takes off these little fibers which look almost as fine as dust, which are turned and sold or used as flecks. Then the cloth is pressed and it is on the market.

It will be observed that in carded-wool manufacture it does not matter how short the fiber may be. On the other hand, the worsted wool is made of a fiber that must be long enough to make a continuous, strong, fine yarn. In the next paragraph we have this product of noils; and I want to say in that respect that the wool can all be made into noils, no matter how long it may be. If you put a tariff on noils lower than what you may put upon the other product, raw wool would be put into noils unnaturally, in order to evade full duties on wool. Here [exhibiting], for instance, are a class of noils that are made from a perfect worsted product. It could just as well have gone into the worsted product, but by recombining it becomes a waste, and could come in as noils at 20 cents, instead of 30 cents or 33 cents.

So you could go on; by setting your combs differently you could recomb it.

Therefore it is necessary, if we are going to protect the grower of wool, to see there is no spot or place in the tariff where some product or waste can creep in under one name at a very much lower tariff than what it may come in under another name.

Mr. President, I do not wish to detain the Senate, for I know it is tired. I have here some tables which are taken from the census returns and other official records, which I ask may be included in the RECORD with the few remarks to which the Senate has been patient enough to listen.

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

Mr. KEAN. Question!

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

Mr. DOLLIVER. Upon that I demand the yeas and nays.

Mr. BURKETT. I should like to know what the amendment is. It has been a long time since it has been stated.

Mr. CLAY. I ask that the amendment may be stated.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 129 the committee proposes to strike out the paragraph of the House text and to insert the following:

368. Top waste, slubbing waste, roving waste, ring waste, and garnetted waste, 30 cents per pound.

Mr. ALDRICH. That restores the Dingley rate on these wastes.

The PRESIDING OFFICER. Is the demand for the yeas and nays seconded?

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. JOHNSTON of Alabama (when Mr. BANKHEAD's name was called). My colleague is unavoidably detained from the Chamber. He is paired with the junior Senator from Nevada [Mr. NIXON].

Mr. CURTIS (when his name was called). I desire to announce my pair with the junior Senator from Indiana [Mr. SHIVELY]. Were he here, I should vote "yea."

Mr. KEAN (when the name of Mr. ELKINS was called). The

Senator from West Virginia is necessarily absent. If he were here, he would vote "yea." He is paired with the Senator from Texas [Mr. BAILEY].

Mr. FRYE (when his name was called). I am paired with the senior Senator from Virginia [Mr. DANIEL].

Mr. FRYE (when Mr. HALE's name was called). My colleague is detained at home by sickness, and is paired with the junior Senator from Mississippi [Mr. McLAURIN].

Mr. McLAURIN (when his name was called). I am paired on this vote with the senior Senator from Maine [Mr. HALE].

Mr. NIXON (when his name was called). I am paired with the Senator from Alabama [Mr. BANKHEAD]. If he were here, I should vote "nay."

Mr. PENROSE (when Mr. OLIVER's name was called). My colleague is unavoidably absent from the city, and is paired with the junior Senator from Oregon [Mr. CHAMBERLAIN]. Were he present, he would vote "yea."

The roll call was concluded.

Mr. DILLINGHAM. Owing to the absence of the senior Senator from South Carolina [Mr. TILLMAN], with whom I have a general pair, I withhold my vote.

Mr. BAILEY (after having voted in the negative). I am advised that the Senator from West Virginia [Mr. ELKINS] has not voted. I desire to ask if that is true.

The PRESIDING OFFICER. He has not voted.

Mr. BAILEY. Then, having a general pair with that Senator, I withdraw my vote.

Mr. PILES. I desire to state that my colleague [Mr. JONES] is paired with the junior Senator from South Carolina [Mr. SMITH]. The junior Senator from South Carolina being absent, and my colleague being in the chair (he has voted "yea"), I ask leave on his behalf to withdraw his vote.

The PRESIDING OFFICER. Without objection, it is withdrawn.

The result was announced—yeas 40, nays 30, as follows:

YEAS—40.

Aldrich	Carter	Gamble	Piles
Borah	Clark, Wyo.	Guggenheim	Root
Bourne	Crane	Heyburn	Scott
Bradley	Crawford	Johnson, N. Dak.	Smith, Mich.
Brandegee	Cullom	Kean	Smoot
Briggs	Dick	Lodge	Stephenson
Bulkeley	Dixon	McCumber	Sutherland
Burnham	du Pont	Page	Warner
Burrows	Flint	Penrose	Warren
Burton	Gallinger	Perkins	Wetmore

NAYS—30.

Bacon	Cummins	La Follette	Rayner
Beveridge	Davis	Martin	Simmons
Bristow	Dolliver	Money	Smith, Md.
Brown	Fletcher	Nelson	Stone
Burkett	Foster	Newlands	Tallaferro
Clapp	Gore	Overman	Taylor
Clay	Hughes	Owen	
Culberson	Johnston, Ala.	Paynter	

NOT VOTING—21.

Bailey	Depew	Jones	Shively
Bankhead	Dillingham	McEnery	Smith, S. C.
Chamberlain	Elkins	McLaurin	Tillman
Clarke, Ark.	Frazier	Nixon	
Curtis	Frye	Oliver	
Daniel	Hale	Richardson	

So the committee amendment was agreed to.

The PRESIDING OFFICER. The Secretary will report the next paragraph passed over.

The SECRETARY. In paragraph 369, page 129, line 11, before the word "cents," strike out "twenty" and insert "twenty-five," so as to read:

Shoddy, 25 cents per pound.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

Mr. BACON. I desire to make an inquiry of the Senator from Rhode Island. I understand we are simply proceeding through this schedule for the purpose of acting on the committee amendments.

Mr. ALDRICH. The committee amendments.

Mr. BACON. We are not acting upon the paragraphs themselves, but simply upon the amendments.

Mr. ALDRICH. We are acting upon the paragraphs after the amendments are acted upon. If the Senator has an amendment, of course he can offer it.

Mr. BACON. I notice that there was no question put upon that particular paragraph.

Mr. ALDRICH. There should have been.

Mr. BACON. I made the inquiry for this reason: I have some amendments to offer to almost all the paragraphs in this schedule. I would prefer to have the privilege of offering them after the Senate has acted on the committee amendments. If I may have the privilege of returning to the original paragraphs, it will save a good deal of time, I think.

Mr. ALDRICH. I have no objection to that course. We want to agree to the committee amendments.

Mr. DOLLIVER. What is the understanding?

Mr. ALDRICH. There is no understanding except that after the committee amendments are agreed to, the Senator from Georgia may offer amendments to all the paragraphs.

Mr. BACON. Or any other Senator who has an amendment, I suppose. I do not know that there will be any others.

Mr. ALDRICH. The paragraph as amended ought to be agreed to.

The PRESIDENT pro tempore. The amendment which was agreed to was the insertion of a paragraph. It was simply an amendment in the nature of a substitute.

Mr. DOLLIVER. Do I understand that the amendments to paragraph 369 have been agreed to?

The PRESIDENT pro tempore. No; paragraph 368. The paragraph is agreed to. The question is on agreeing to the amendment of the committee in line 11, page 129, paragraph 369.

Mr. DOLLIVER. I suggest to the Senator from Rhode Island to place the two amendments before the Senate as one. I desire to ask for the yeas and nays, and would be very glad to have them consolidated.

Mr. ALDRICH. I shall be very glad to have that course followed. It will save one vote, of course.

The PRESIDENT pro tempore. The two amendments to paragraph 369 will be stated.

The SECRETARY. On page 129, line 11, before the word "cents," strike out "twenty" and insert "twenty-five;" and in line 14, before the word "cents," strike out "twenty" and insert "eighteen," so as to make the paragraph read:

369. Shoddy, 25 cents per pound; noils, wool extract, yarn waste, thread waste, and all other wastes composed wholly or in part of wool, and not specially provided for in this section, 20 cents per pound.

The PRESIDENT pro tempore. The Senator from Iowa demands on these amendments the yeas and nays.

Mr. DOLLIVER. I think there lies in this paragraph the root of much of the difficulty which is now besetting the carded woolen industry, the knitting industry, and felt-goods industry in all departments throughout the United States. The most definite complaint which this great company of American manufacturers have made to me I placed upon record on yesterday in the form of their memorial addressed to the President of the United States and to the Senate. The most tangible complaint they have is that these wastes and by-products which they must use, and which they do use, are dutiable at such prohibitory rates as to enable their competitors, who are trying to get their business away from them, and, according to all testimony, have fairly well succeeded in doing so, to hand out to them the necessary materials of their craft on such terms as they please. They are not asking that prohibitory rates be made on shoddy or noils or wool extract or card waste or thread waste, or any other of the wastes which are composed of wool and which appear in the process of the manufacture of woolen cloth, but they ask that they be put at least in touch with the foreign supplies of these materials, so that when they come to buy them their competitors may not be able to say to them, pay this or pay that, without regard to the value; but when the price rises to a point approaching unreasonableness or extortion that this law may give them the right to turn away from their home competitors and have their dealings with the market places of the world.

Mr. WARREN. To whom does the Senator allude when he speaks of their competitors?

Mr. DOLLIVER. I allude to the gentlemen who are manufacturing goods which, according to the testimony, have driven them out of business.

Mr. WARREN. I do not understand now to whom the Senator alludes as competitors, except he means as they compete with each other.

Mr. DOLLIVER. I suppose the worsted manufacturer is a competitor of the carded woolen manufacturer, in a sense of the word.

Mr. WARREN. In the use of noils?

Mr. DOLLIVER. No; in the manufacture of cloth.

Mr. WARREN. Will the Senator permit me?

Mr. DOLLIVER. Certainly.

Mr. WARREN. This article, these noils, now before us, is not used by the worsted men. It is used by the carded-wool men. The only market in the United States for it is with the carded-wool men.

Mr. DOLLIVER. That is exactly what I have been trying to say.

Mr. WARREN. On the other hand, the only persons to whom the worsted manufacturers can sell noils are the carded-

wool men or their agents; and the carded-wool men certainly have as good an opportunity to fix the price of the commodity as the men who have noils for sale.

Mr. DOLLIVER. Let us see, Mr. President. These noils are, in part, at least, the product of combing English washed goods and Canadian washed wools. Of these wools 12,000,000 pounds were imported into the United States in 1907, and in the last few months they have been arriving at a rate which would indicate that the importations for this year will be 24,000,000 pounds, or one-fourth of the total importations of wools into the United States outside of carpet wools. These men are thus importing by the millions of dollars' worth combing wools upon which the net scoured duty is 15 cents a pound, increasing the manufacture of worsted tops, and they turn aside this by-product, nearly one-third of the fleece, and sell it to their competitors, protected by a duty very much greater than the duty which they were called upon to pay on the fleece out of which the articles are made and in the manufacture of which they are a mere by-product.

Mr. WARREN. Does the Senator mean that the shrinkage on the average is less?

Mr. DOLLIVER. I mean to say that the shrinkage is very low. I believe the Senator will agree with me that if a shrinkage of 20 per cent would net a duty upon the scoured contents of a fleece of a value of 15 cents a pound—

Mr. WARREN. Let me say to the Senator, as to the wools from which these noils are made, there may have been a fleece or a few fleeces with a shrinkage of only 15 per cent, but the lowest shrinkage class of wools that we are importing, as a class, has a shrinkage of 32 per cent, and from that up to a higher percentage of shrinkage.

Mr. DOLLIVER. Do the English washed wools shrink 32 per cent?

Mr. WARREN. The English washed wools are scarcely as much as a mosquito bite upon the hide of a rhinoceros compared with the amount of wool that is used in this country by the worsted combers; and none of it is brought here except some from Canada.

Mr. DOLLIVER. I have just stated that in 1907 the total importations of these wools was above \$12,000,000 worth.

Mr. WARREN. The Senator certainly does not mean that they brought in \$12,000,000 worth.

Mr. DOLLIVER. I beg your pardon—12,000,000 pounds.

Mr. WARREN. The Senator yesterday said 9,000,000 pounds, and I have endeavored to instruct him since that it was 12,000,000 pounds, or thereabouts.

Mr. DOLLIVER. I verified the figures this morning, and while I would be very glad to concur always with the Senator's recollection, I sometimes find that it is fallible, as well as my own.

Mr. WARREN. But in this case the Senator found that I was about right.

Mr. President, that covers all the wool that came here in fleece and all that came in as pulled wool and all that came in on the skins of animals, and it means 12,000,000 out of about 500,000,000 pounds used.

Mr. DOLLIVER. Do you mean to say that we bring in 500,000,000 pounds?

Mr. WARREN. No.

Mr. DOLLIVER. I was talking about what we bring here.

Mr. WARREN. That is the total consumption in the United States.

Mr. SMOOT. I call the attention of the Senator to the fact that during the sixteen years passed 200,079,164 pounds have been imported into this country of class 2 wool, and that is an average of 12,504,948 pounds, or within a few hundred thousand pounds of what was imported last year. That is certainly a fair statement to make as an average of sixteen years, and it is an amount within a few hundred thousand pounds of what we imported last year.

Mr. DOLLIVER. Very well, Mr. President; these figures do not bother me, if I have time to sit down and look at them. I said the importations of the English wools were 9,000,000 pounds. That was correct because I had excluded from the calculation hair of the alpaca, wool on the sheep's back, and wool that never was on the sheep's back, and wool that grows on the back of the sheep in the park out here, that I saw on Sunday, which do not have any wool at all, and yet have every appearance of sheep.

Mr. WARREN. I should like to ask my brother shepherd if there is any product of pulled wool that did not come from the sheep's back or from some part of a sheep?

Mr. DOLLIVER. Nobody ever raised on a farm in the mountains of Virginia needs any instruction on the subject of the wool pulled from a sheep's back after it has died.

In the figures which I gave yesterday, I was dealing with the English and Canadian washed wools of the second class, and in the figures that I give this morning I am dealing with the official statement of the amount of second-class wool imported, which included some of these eccentric hairs that have found their way into this tariff bill as they sometimes do into our butter at boarding houses in remote regions of the country. And here now is the Senator from Wyoming with the fact before him that 12,000,000 pounds of this wool came in last year, and with the additional fact before him that it is coming in now at the rate of 2,000,000 pounds a month, and has been for months, as the records of the Treasury Department show; if it goes on for this year, will make it 24,000,000 pounds, one-fourth and more of the total importations of wool into the United States; and yet he has the cheerful enthusiasm to stand up here and say that it is a negligible quantity.

Mr. WARREN. The Senator does not wish us to understand that he is now giving us the correct figures as to importations of wool. He certainly ought to correct it.

Mr. SMOOT. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. To show that the amount is incorrect—

Mr. DOLLIVER. Now, I will ask the Senator to state it in dollars and to state it in pounds for this year. First, I talk about one and then he talks about the other.

Mr. SMOOT. I will say that the average for sixteen years—

Mr. DOLLIVER. I do not care anything about that.

Mr. SMOOT. Of all wools the average is 173,907,967 pounds. That is the average for sixteen years. Of the last year's importation I have not the exact amount here, but it was nearly 175,000,000 pounds.

Mr. DOLLIVER. Does that include all the carpet wools?

Mr. SMOOT. Of course; it includes all wools.

Mr. DOLLIVER. Why can not we get down to business and show how much English washed wool of the second class came into the United States last year and this year?

Mr. SMOOT. I have already stated that.

Mr. DOLLIVER. How much was it?

Mr. SMOOT. Twelve million pounds last year of class 2 wool.

Mr. DOLLIVER. Is it true, now, that it is coming in at the rate of 2,000,000 pounds a month?

Mr. SMOOT. Perhaps you can take one month which shows there are 2,000,000 pounds that come in. There will be scarcely any more importations than we have now.

Mr. DOLLIVER. And yet both Senators have denounced this importation of 12,000,000 pounds of wool as negligible, while they are wasting the time of the country and befogging this issue by debating hour by hour the question of thread wastes and roving wastes.

Mr. WARREN. What is the Senator going to do about it?

Mr. DOLLIVER. I will tell you in a minute what I am going to do about it.

I say it is not fair for men who import the class of wools privileged under our tariff law, so privileged that the total importation of duty net upon scoured contents of a pound of it is only 15 cents, and to be permitted under this law to manufacture that into tops, making a by-product of one-third of the whole weight of the wool called "noils," and then sell these noils to their competitors in the cloth business with an assessment of 20 cents a pound.

Mr. WARREN. Does the Senator wish to go on record and stake his reputation upon the fact that 12,000,000 pounds of second class come in this country that shrink only 15 per cent?

Mr. DOLLIVER. I have the authority of the finest experts I can get hold of who tell me that is so. Does the Senator deny that these wools washed shrink afterwards more than 20 per cent in such scouring as they get in the United States?

Mr. WARREN. I will simply enter my denial and say that we do not import 12,000,000 pounds of second-class wool that only shrink after scouring 15 per cent.

Mr. DOLLIVER. Mr. President, the peculiarity of this law is that these wools are not imported dirty. They are imported at the same rate after they are washed. Therefore they are all imported washed, and I make the proposition that the shrinkage in scouring, such scouring as they get before they become tops, is not more than 20 per cent.

Mr. CARTER. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Montana?

Mr. DOLLIVER. Certainly.

Mr. CARTER. I understand the Senator's contention to be that the protective duty on this second-class wool should be classified somewhat as the protective duty on the first-class wool.

Mr. DOLLIVER. Yes, sir; I should like to see it done.

Mr. CARTER. Permit me to suggest to the Senator that he does not advance the cause of that classification by the effort to reduce the protective duty on the first-class wool, the classification whereof he would gladly follow. The noils of commerce are the product of the first-class wool, and a reduction of the duty on this by-product of the first-class wool below that which is a just relation to the duty on the scoured wool will, of course, tend to open the door for a reduction of the duty on the scoured wool by indirection.

The Senator's proposition is to better the condition of second-class wool growers by destroying the advantage, if any there be, enjoyed by first-class wool growers. Now, I would equalize it not by tearing down the wool grower whose sheep produce the merino wool, but by raising up the other, if, as suggested by the Senator, the measure of protection is inadequate, and as I really think it is.

Mr. DOLLIVER. Mr. President, there is no man more just in opinions on this floor, or wiser in the technique of such a controversy than the Senator from Montana. Therefore, I want to ask him one question. Is it not true that the combing of the English wools and the Canadian wools which come here washed produce noils?

Mr. CARTER. I presume noils could be produced from the wools referred to, but in the manufacture of worsted goods, and it is from that process of manufacture the noils are evolved, they do not use the Canadian wools or English wools so called. The process of manufacture known as "worsted manufacture," known as the "combing or carding manufacture," does not produce a noil at all.

Mr. DOLLIVER. What is it that they produce? The Senator's statement is a little ambiguous, or, rather faulty.

Mr. CARTER. It is the mechanism employed in refining the wool into the worsted yarn that produces noils.

Mr. DOLLIVER. Why are these English wools called "combing wools?"

Mr. CARTER. Because, I suppose, they are combed.

Mr. DOLLIVER. They are fit for combing. They need to be combed. What is the by-product that is combed out of them?

Mr. CARTER. The by-product combed out of the wool in the ordinary process of the manufacture of wool is merely the alien matter in the wool, and no part of the wool is combed away or disposed of, as I understand it. Then the shoddy may be incorporated in a woolen garment.

Mr. DOLLIVER. They comb out of it—

Mr. CARTER. Burs, straw—

Mr. DOLLIVER. Foreign matter?

Mr. CARTER. Foreign matter.

Mr. SMOOT. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. I want to call the attention of the Senate to the fact that only 12,000,000 pounds of second-class wool come into this country, and the great bulk of that wool is used in the making of braids and luster goods and never goes into the worsted goods at all. I do not believe there is over a quarter of it that ever reaches a worsted card. That one-quarter would be 3,000,000 pounds of wool; and the noils out of 3,000,000 pounds of wool would be only 16 per cent of 3,000,000 pounds at the outside. The great bulk of noils marketed in this country comes from first-class wool—at least 85 per cent of them.

Mr. CARTER. The Senator from Utah, having had experience in a woolen mill, can probably answer a question which will form a correct understanding between the Senator from Iowa and myself. My information is that the noils constitute only about one-sixth of the weight of the scoured wool.

Mr. SMOOT. That is correct, Mr. President, as to a number of them; I mean, taken as a whole, all classes of wool.

Mr. CARTER. I understand; the general average. The Senator from Iowa has been making an assertion that noils constitute about one-third.

Mr. DOLLIVER. I have no doubt that the amount of noils produced varies with the state of the wool and in the way in which it has been kept. The noils fall off by reason of the threads being broken and disfigured in various ways. If the wool has been carefully handled and scoured by a gentle process, the product of noils, of course, is smaller, but I was speaking of cases that I knew to be correct.

Mr. President, the thing that I want to call the attention of the Senate to is that all these wastes vary almost like the poles in their value. If they are made out of the highest grades of wool the noils may be very valuable and very beautiful, such as the Senator from Wyoming exhibited here this morning. If they are made from ordinary fleeces, if they are made of fleeces that have only been imperfectly scoured, there is a combing out of

burs, small pieces of vegetable matter, chaff, straw, and many things which the sheep accumulates in his earthly pilgrimage, and the result is a noil which is not an equivalent of any kind of scoured wool, but which has been made the receptacle of the dust and impurities in the wool that is being combed. Before it can be used after being bought, it must be carbonized and purified and scoured, and 25 per cent of it falls away into irrevocable waste before it can be used in many cases by the carded woolen manufacturer.

Mr. SMOOT. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. The Senator must know that all wool has got to be scoured, and scoured clean, in order that it may be carded and combed successfully. It is true that the wool passing through the cards and then through the combs, the noil is combed out and with them the chaff and straw.

But I want to call the attention of the Senator to the fact that no importer would ever import noils in that condition. No importer would ever import a noil until it had been carbonized; and we are passing a law to take care of that class of noils. They would not pay the freight upon this chaff and straw that comes from the noil, but every pound of importations will be carbonized.

Mr. DOLLIVER. That is a speculation I have no statistics to follow the Senator in.

Mr. SMOOT. I believe common reason would tell the Senator that. Any manufacturer would import the noil in the best condition possible—

Mr. DOLLIVER. Common reason, sailing on the high seas of this tariff debate, has been shipwrecked and sunk to the bottom. [Laughter.]

Mr. WARREN. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. DOLLIVER. Certainly.

Mr. WARREN. Mr. President, the Senator is a little wrong in his formula. The burs are taken out by the burring machine, through which the wool passes.

Mr. DOLLIVER. Do they never miss a little bur in that machine?

Mr. WARREN. The Senator seems to base his argument altogether upon the superlatives and upon the radical features. When he claims that the second-class wools shrink 15 per cent, he knows probably, as well as I do—

Mr. DOLLIVER. I did not say that they shrank 15 per cent. I said that they shrank in such a measure that the net duty upon the scoured contents of a pound was 15 cents.

Mr. WARREN. What percentage of shrinkage would the Senator now have us understand?

Mr. DOLLIVER. It would indicate a shrinkage in that case of 20 per cent.

Mr. WARREN. No doubt there may have been samples of wool that may have shrunk only that much.

Now, as to this matter of noils. They are made, as I said before, in the worsted process only. The Senator speaks of noils coming from second-class wool. What are noils? The noils are the short fibers that are too short to pass the comb and go into the product called "top." Second-class wool has no short fibers in it unless there are some broken fibers. So the noils from the second class amount practically to nothing. The noils, as a matter of fact, come from first-class wool.

It is true that originally, when these terms were first adopted, combing wools and second-class wools were synonymous, and that was at a time when you had to have a staple several inches long in order to comb it. But, as I have shown already by samples of wool, the different combs that have been adopted since comb practically every pound of wool that we grow, so that the noils do not come from the second-class wools to any appreciable extent. The second-class wool has a fiber that will pass the comb, so that practically there are no noils.

Mr. DOLLIVER. Mr. President, if I thought by consenting to the truth of every word which the Senator from Wyoming [Mr. WARREN] says I could induce him to vote for an amendment which I propose to offer, abolishing this classification of second-class wools altogether, I believe I would admit the truth of everything he says without further debate. If there is a negligible quantity of that wool, if it has no effect on this situation, then there is surely no reason for maintaining its ancient privilege, accorded first in 1867 to a worsted mill in Lawrence, Mass., by the testimony of a venerable gentleman sitting now in the gallery, which I have had the honor to present to this Senate.

There surely can be no reason for continuing that privilege after the substance of it has become negligible and the result of it almost unintelligible.

Mr. President, on yesterday I took the opportunity that is so often exercised as a privilege in the Senate of having read some testimony of the editor of the Textile World Record, of Boston, a young American student of textile problems, who has, by his diligence and by the acuteness of his criticism, attracted a friendly international reputation as an expert in all departments of our textile industries. I sat down with him as a learner to see if it were possible for a man of moderate abilities to comprehend even what was talked about when the wool tariff was up in the Congress of the United States. The more I talked with him, the more distinctly I saw that he dealt with exact facts and with perfectly accurate statistics, and the more that was impressed upon my mind, the more anxious I became that his opinions, already expressed in a general way in the editorial columns of the Boston Textile World Record, should have the influence that the nonpartisan opinions of experts ought to have upon such a controversy as we have here.

So I asked him to let me talk with him as man to man; I, ignorant, trying to get some instruction from the wise and from the learned. I had hardly knowledge enough of the subjects, of the matters at stake, to frame my questions, and those who read will see how ignorant the questioner was and how accurate in his knowledge was the man who was kind enough to answer the questions. I put that dialogue into the Record, and here we are debating this question. Yesterday we came to matters to which he referred, and the only notice taken of those questions and answers by those who participated in the debate was not to dispute their truth or their accuracy, but to read a memorandum, scandalous in its character, handed to my friend the Senator from Utah [Mr. SMOOT], relating to the personal and business history of this man. I should like the Senator from Utah, if he is in the cloakroom, to hear what I have to say, for I never like to get into a row when the other fellow has gone.

Mr. President, it is a strange state of society when a man can not be brought into the Senate to give the public the benefit of his knowledge and his wisdom, a man who is not personally interested in the controversy, a man seeking solely light and giving out light and guidance to those interested in the pursuit of that form of knowledge—it is a strange moral state when that can not be done without invoking from the members of the Finance Committee of the Senate a personal insult and disparagement of his fitness, based upon his alleged failure in business. Such an assertion becomes all the more grotesque and repulsive in its appearance when that gratuitous disparagement is made by a Member of the body who confesses that he himself failed in the same business, and whose mill, which was once active and prosperous, is now silent there in the heart of the Rocky Mountains.

Mr. President, if I was in the business of manufacturing woolen goods, charged with the duty of fixing their relation to the American people, I should be very slow to depart very far from the facts and records and statistics by which the Congress of the United States ought to be guided in such a matter. I should fear that somebody might read the rules of the Senate to me, or point out to me some such landmarks in the world's parliamentary history as are contained in Jefferson's Manual; and, if nobody did it, I would be too thankful for their forbearance to undertake to disparage anybody else or to point out the impropriety of his being heard in the settlement of such a controversy as this.

I desire to say to my friend from Utah that I should not have brought into the Senate Chamber Mr. Dale, the editor of the Boston Textile World Record, unless I had had many opportunities to know both his intellectual qualifications for the work which he did at my request and his moral qualifications as well. I knew that he had been a student from his boyhood, and I knew that he would not have been chosen and maintained these long years as the editor of the most important textile trades journal in America, unless he had those qualities of brain and of heart to warrant the confidence and good will of the constituency to which that great periodical appeals every month. So, as I brought him here and quoted him—though he does not own any stock in any mill now, though he has no relations of a business character to the enterprise in which we are involved, though he is not seeking the protection of the law to care for an industry in which he is himself interested—seeing that his is a nonpartisan relation to this controversy—I feel that I ought to put into the Record a plain statement in his own handwriting of his connection with these matters, about which yesterday the Senator from Utah thought

it both kind and helpful to the Senate to place upon him the brand of his disapprobation and disparagement. I ask that the Secretary read what I send to the desk.

The PRESIDENT pro tempore. In the absence of objection, the Secretary will read as requested.

The Secretary read as follows:

BOSTON, MASS., June 8, 1909.

MY DEAR SENATOR DOLLIVER: I have read in this afternoon's papers an account of the first day's debate on the wool schedule, in which Senator SMOOT replied to the statements in my interview with you by referring to the closing of the Merchants' Woolen Mills, Dedham, Mass., while I was agent of the mills in 1893. I am writing to acquaint you with the facts, that you may use them as you see fit in replying to the retorts, not arguments, of those who attack the statements I made to you.

In December, 1891, I made a year's contract with Edgar Harding, sole owner of the Merchants' Woolen Mills. That contract was renewed twice, first in 1892, and again in 1893. Within eleven months after I began my service there, Grover Cleveland was elected President of the United States, pledged to a revision of the tariff and the removal of all duties on wool. Within nine months after that election, and as a result of it, \$700,000 worth of wool in the raw state and in process and of manufactured goods, which Mr. Harding had on hand, had depreciated in value until they were worth 50 cents on the dollar, making a loss of \$350,000 by shrinkage of wool values alone. Mr. Harding, who would have failed if he had not been a very wealthy man, continued to run the mill for several months after this loss, and then in 1893 decided to run out the stock, sell the mill, and retire from the woolen business. In accordance with orders received from him, I ran out the stock and closed the mill, two years and four and one-half months from the date of my first contract. There was still seven and one-half months for which we were both bound by the contract. It was then that I made a sacrifice which has since given me a great deal of personal satisfaction. I voluntarily made the offer to Mr. Harding to relinquish one-half of the amount, \$2,500, he was still bound to pay me (at the rate of \$4,000 per year) for the remaining eight months. This offer was accepted and I received \$1,250 and ended my business connection with him. He sold the mill and never again engaged in the carded woolen business. I have always taken much satisfaction in this voluntary sacrifice by which I shared to some extent my employer's losses, and which was altogether one-sided, because of the great disparity of worldly goods possessed by Mr. Harding and myself.

I have made this explanation because your opponents apparently think there is some connection between my business relations with Edgar Harding in 1893 and the duty on wool and worsted tops in 1909.

All who are connected with a woolen mill, whether in the capacity of owner, agent, overseer, or common operative, come into possession of their proper share of the credit or discredit attaching to the success or nonsuccess of the establishment. This is true whether the mill is Edgar Harding's or Senator SMOOT's. And I am not the one to seek to escape the consequences of this natural law. Instead of seeking to shift the blame for the closing of the Merchants' Woolen Mills on others, say, the selling agent, Harding, Whitman & Co., whose specialties then were dress goods, yarns, tops, and not heavy carded woolen beavers, or on the owner, or on employees, or even on Grover Cleveland, I am content to state the facts.

The years during which I was at Dedham have their peculiar lesson for us at this time. It is that we should maintain adequate protection to both woolgrower and manufacturer. Then it was endangered by those who would lower the duties on wool and wool goods. Now it is endangered by those who would establish a policy of exclusion for selfish special interests. The course for the true friends of protection to adopt is as plain now as it was then.

You are at liberty to use this letter in any way you may see fit. Judging from the press accounts of the debate, I would suggest that you make it a part of the RECORD to-morrow.

Yours, very truly,

SAMUEL S. DALE.

Hon. J. P. DOLLIVER,
Washington, D. C.

Mr. SMOOT. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. I yield to the Senator from Utah.

Mr. SMOOT. Mr. President, I was not in the Chamber when the Senator made his remarks, but I suppose that they had reference to what I said yesterday about Mr. Dale's employment in the Merchants' Woolen Mills.

Mr. DOLLIVER. Yes; an indirect allusion to what the Senator said yesterday.

Mr. SMOOT. Does the Senator say that I cast any reflection upon the moral character of Mr. Dale in any way?

Mr. DOLLIVER. No; I did not say so.

Mr. SMOOT. I want the Senate to distinctly understand that I did not.

Mr. DOLLIVER. The Senator seemed to think he was a presumptuous man, however, having failed in the wool business, to be here instructing the Senate.

Mr. SMOOT. Mr. President, my whole contention was that the Senator from Iowa had Mr. Dale here in Washington, that he had an interview with him, that he thought it was of so much importance that he had the interview published, and that he based his argument for the changes that he wants made in this particular schedule upon the statement of Mr. Dale. I thought there was nothing wrong—

Mr. DOLLIVER. Mr. President, while it is not important, I will correct the Senator for saying that.

Mr. SMOOT. I want the Senator to do so, if it is not true.

Mr. DOLLIVER. I have suffered the affliction, which some-

times happens to very good people, of having my views attributed to Democrats now dead and gone.

Mr. SMOOT. O Mr. President, the Senator certainly can not lay that at my door.

Mr. DOLLIVER. Certainly not.

Mr. SMOOT. I never mentioned a Democrat; I never mentioned politics; I never mentioned a soul except Mr. Dale.

Mr. DOLLIVER. But I do not hold the Senator from Utah responsible for everything that emanates from the Finance Committee. The RECORD is surely filled with trumpery of the last generation, intended to show that I could not entertain such ideas as these without abandoning Republicanism and falling back onto a form of Democracy that has already been buried with the usual honors. [Laughter.]

Mr. SMOOT. I wish the Senator would correct me if I am wrong in my assumption; and that was that the Senator had an interview with Mr. Dale; that he had that interview published as a Senate document; and that he was speaking and basing his argument upon that document or interview. Is that not correct?

Mr. DOLLIVER. Well, the whole argument fell back on that as a sort of outer defense.

Mr. SMOOT. All I did was this: I called the attention of the Senate to the fact that Mr. Dale had not appeared before the Ways and Means Committee to be cross-examined there, but that he came here and had an interview with the Senator from Iowa—

Mr. DOLLIVER. Mr. President—

Mr. SMOOT. And then I called attention to the fact—

Mr. DOLLIVER. Just a moment. The Senator wants to be just.

Mr. SMOOT. Let me finish—

Mr. DOLLIVER. He came here at my request.

Mr. SMOOT. Certainly; I do not question that.

Mr. DOLLIVER. I will tell you how I happened to want him. I had been reading the Textile World Record for a good while every month. I do not take the same pride that the Senator from Rhode Island [Mr. ALDRICH] does, who puts himself forward as the master of the fate of the textile industry of the United States, and yet stands here to avow that he never heard of the paper or the magazine which, for twenty years, has been the representative trades organ of the most important branch of the textile industry of the United States.

Mr. SMOOT. Let us get back to Mr. Dale. That is the question here.

Mr. NELSON. Mr. President, will the Senator from Iowa yield to me for a moment?

Mr. SMOOT. Let me finish—

Mr. NELSON. I want to get at the point of this matter. I understood distinctly that the effect of the Senator's remarks was to belittle Mr. Dale because he had been in the woolen business and made a failure of it.

Mr. DOLLIVER. That was the idea, as it seemed to me.

Mr. NELSON. Exactly.

Mr. SMOOT. If the Senator from Minnesota had waited, I would have told him exactly my thought and what impression I wanted to convey to the Senate. When this question was before the Ways and Means Committee, the men interested in this subject appeared before the committee. Upon this very question there was a certain man before the Ways and Means Committee who gave testimony, but who upon cross-examination utterly failed to sustain his assertions. Mr. Dale did not go before the Ways and Means Committee. I do not know whether or not he was asked to do so. I suppose, if he was interested enough in this question, he could have gone before that committee, but he did not do so. I simply said that I wanted to call the attention of the Senate to the fact that this man, on whose statement the Senator from Iowa had based his argument, certainly was not a successful manufacturer, with all the protection that had been given. Other men had passed successfully through the same years; and, inasmuch as the Senator referred to me as a manufacturer, I want to say here that during those years the woolen mill that I managed ran every day.

Mr. DOLLIVER. Very well; but your colleague said that multiplied tens of thousands of these corporations went to the bad during that period.

Mr. SMOOT. Well, Mr. President, we are discussing the question now between Mr. Dale and myself, as the Senator has thought proper to bring the question up.

Mr. DOLLIVER. The Senator was located more fortunately, surrounded by those magnificent mountains which give his city such beauty of situation, and evidently they operated to isolate him from the storm which was raging in the commercial world about that time.

Mr. SMOOT. Not altogether; we felt it just about as much as any other section of this country, and I can assure you that I hope never to live to see the day when we shall have to pass through such an experience again. I disclaim now that I have cast any reflection upon the moral character of Mr. Dale; but I do claim that he is not fitted, any more than a thousand other men are fitted, to give testimony upon this great branch of industry in this country.

Mr. NELSON. Mr. President, he might be if he were a Senator. [Laughter.]

Mr. SMOOT. Mr. President, I have no hesitation in saying, and in saying as forcefully as I can, that his testimony or his knowledge would exceed the testimony and the knowledge of the Senator from Minnesota upon the wool schedule.

Mr. DOLLIVER. Mr. President, I understood the Senator to say that nobody had ever recognized the skill of this man.

Mr. SMOOT. O Mr. President, I never said that.

Mr. DOLLIVER. The Senator said that he would have appeared before the Ways and Means Committee if he had been sent for.

Mr. SMOOT. I said that if he was interested in this subject, and if he wanted to do so, he could have appeared before the Ways and Means Committee.

Mr. DOLLIVER. Has the Senator read the testimony taken before the Ways and Means Committee?

Mr. SMOOT. I was in the committee room a great deal of the time when the testimony was being given.

Mr. DOLLIVER. Has the Senator read the testimony that was taken?

Mr. SMOOT. I can not say that I have read every word of the testimony, but I have read a great deal of it, and I know that Mr. Dale did not appear before that committee.

Mr. DOLLIVER. Mr. President, I undertake to say that the record will show that he did, or that his testimony is preserved in those hearings.

Mr. SMOOT. In this last hearing?

Mr. DOLLIVER. Yes, sir.

Mr. SMOOT. Well, Mr. President, I will leave the record to speak for that.

Mr. DOLLIVER. I may be in error about it—

Mr. SMOOT. I think the Senator is in error. I want to say right now that I have looked through it, not as carefully perhaps as I ought to have done, but I do not believe that Mr. Dale appeared there before the Ways and Means Committee.

Mr. DOLLIVER. I do not think it is necessary to authenticate his position as an expert that he should have been there, because I notice that nine-tenths of the testimony was given by Mr. Whitman and my old friend from Philadelphia, Mr. Theodore Justice.

Mr. SMOOT. Mr. President, that was not the question. The question was as to whether he did appear.

Mr. ALDRICH. Question!

Mr. DOLLIVER. Mr. President, I take it that these two amendments will be voted upon together.

Mr. ALDRICH. That is my understanding.

Mr. DOLLIVER. And on that question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BACON. The question, as I understand, is on the two amendments?

The PRESIDENT pro tempore. On the two amendments.

Mr. BRADLEY. Are those amendments of the committee?

The PRESIDENT pro tempore. They are amendments of the committee.

The Secretary proceeded to call the roll.

Mr. JOHNSTON of Alabama (when Mr. BANKHEAD's name was called). My colleague [Mr. BANKHEAD] is unavoidably detained from the Senate to-day. He is paired with the junior Senator from Nevada [Mr. NIXON]. If he were present, my colleague would vote "nay."

Mr. CURTIS (when his name was called). I desire to announce my pair upon this vote with the junior Senator from Indiana [Mr. SHIVELY].

Mr. DILLINGHAM. I have a general pair with the senior Senator from South Carolina [Mr. TILLMAN], who is necessarily absent, and for that reason I withhold my vote.

Mr. FRYE (when his name was called). I have a pair with the senior Senator from Virginia [Mr. DANIEL], and therefore withhold my vote.

Mr. JONES (when his name was called). I am paired for the day with the junior Senator from South Carolina [Mr. SMITH]. Therefore I withhold my vote on all the votes taken for the day, and make this announcement now to apply to all.

Mr. McLAURIN (when his name was called). On this vote I am paired with the senior Senator from Maine [Mr. HALE].

By an arrangement with the senior Senator from Rhode Island [Mr. ALDRICH] that pair can be transferred to the senior Senator from South Carolina [Mr. TILLMAN], which will permit the Senator from Vermont [Mr. DILLINGHAM] and myself to vote. I vote "nay."

Mr. NIXON (when his name was called). I am paired with the junior Senator from Alabama [Mr. BANKHEAD], and therefore withhold my vote.

The roll call was concluded.

Mr. DILLINGHAM. Under the transfer of pairs announced by the Senator from Mississippi [Mr. McLAURIN], I will vote. I vote "yea."

Mr. CURTIS. I desire to inquire if the junior Senator from Oregon [Mr. BOURNE] has voted?

The PRESIDENT pro tempore. The Chair is informed that he has not.

Mr. CURTIS. Then I transfer my pair with the Senator from Indiana [Mr. SHIVELY] to the Senator from Oregon [Mr. BOURNE] and vote. I vote "yea."

Mr. OWEN. I wish to announce the pair of the Senator from Tennessee [Mr. FRAZIER] with the Senator from New York [Mr. DEPEW].

Mr. SCOTT. My colleague [Mr. ELKINS] is unavoidably absent. He is paired with the junior Senator from Texas [Mr. BAILEY]. If my colleague were here, he would vote "yea."

The result was announced—yeas 42, nays 31, as follows:

YEAS—42.

Aldrich	Crane	Guggenheim	Root
Borah	Crawford	Heyburn	Scott
Bradley	Cullom	Johnson, N. Dak.	Smith, Mich.
Brandegee	Curtis	Kean	Smoot
Briggs	Dick	Lodge	Stephenson
Bulkeley	Dillingham	McCumber	Sutherland
Burnham	Dixon	McEnery	Warner
Burrows	du Pont	Page	Warren
Burton	Flint	Penrose	Wetmore
Carter	Gallinger	Perkins	
Clark, Wyo.	Gamble	Piles	

NAYS—31.

Bacon	Cummins	La Follette	Paynter
Beveridge	Davis	McLaurin	Rayner
Bristow	Dolliver	Martin	Simmons
Brown	Fletcher	Money	Smith, Md.
Burkett	Foster	Nelson	Stone
Clapp	Gore	Newlands	Tallaferro
Clay	Hughes	Overman	Taylor
Culberson	Johnston, Ala.	Owen	

NOT VOTING—18.

Bailey	Daniel	Hale	Shively
Bankhead	Depew	Jones	Smith, S. C.
Bourne	Elkins	Nixon	Tillman
Chamberlain	Frazier	Oliver	
Clarke, Ark.	Frye	Richardson	

So the amendments of the Committee on Finance were agreed to.

The PRESIDENT pro tempore. Without objection, the paragraph as amended is agreed to.

The SECRETARY. The next paragraph passed over is 370, and in line 15, after the word "flocks," the committee propose to strike out the word "six" and insert "ten."

Mr. DOLLIVER. Mr. President, just before the previous vote was taken, and just before the distinguished Senator from Utah [Mr. Smoot] took his seat, a controversy, somewhat nebulous and uncertain in character on both sides, developed as to whether the Ways and Means Committee had had before it the witness to whose name reference had been made. The Senator from Utah being a little dim in his recollection as to whether he had read all this testimony, was unable to say whether Mr. Dale had appeared or not. I, for want of absolute confidence in the accuracy of my recollection, was unable to press that point with that vigor which would become a man who knew to a dead certainty that he was correct about it. Therefore, the controversy lapsed into what would be called in worldly circles a "controversial draw."

In the meantime I have examined these hearings, and I find there is a sense in which we were both wrong, and a sense in which I was not far from right, because I find on page 5183 of the tariff hearings, on Schedule K, before the Ways and Means Committee, a letter by Sidney Blumenthal, of New York, submitting for the consideration of the committee, not Mr. Dale's testimony, but an extract from an extraordinary editorial article printed in the Textile World Record, of Boston, for January, 1909; and in view of the fact that this editorial article thus appearing, occupying pages of this record, the work of Mr. Dale, states with felicitous accuracy, so that almost anybody can understand it, notwithstanding the complexity of the subject, the question that is at issue here, I wish to read a few lines of it, because he exhibits for our attention the grievances of large classes of woolen manufacturers in New England and everywhere else in the United States.

Mr. SMOOT. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. I take it for granted the Senator remembers what my statement was, and that was that Mr. Dale did not appear before the Ways and Means Committee of the House, that he was not there to be subjected to cross-examination.

Mr. DOLLIVER. That is true.

Mr. SMOOT. That is the statement I made.

Mr. DOLLIVER. He was absent in person and in body, but he had his ideas there. The rest of them were there in person, but there was a peculiar dearth of ideas in connection with their attendance in some cases. But here is what he says about these wastes:

It is evident that one of the most difficult problems before the committee is the removal in the inequalities in the tariff on wool and woolens. The new tariff should afford adequate protection to all branches of the industry.

So you see he is not a free trader.

That is the basic principle on which the revision must be made. It should also bear equally on all branches, favoring none at the expense of the others or of the consumer. The inequalities encountered first are those in rates on wool. As it comes from the sheep's back and is received at the mill, wool contains a widely varying amount of grease and dirt. Some lots may consist of three-quarters grease and one-quarter clean wool; other lots, one-quarter grease and three-quarters clean wool; and no two lots shrink exactly alike.

The Dingley law fixes the tariff on wool at a uniform amount per pound of grease wool, regardless of the amount of grease it contains. Here lies the fundamental and insurmountable difficulty with a specific duty on grease wool. A duty of 11 cents a pound amounts in fact to 44 cents per pound of clean wool if there is 75 per cent of grease present, and to only 14½ cents per pound of clean wool if there is 25 per cent of grease.

Now, listen:

The result is that the 11-cent duty on wool excludes the heavy shrinking wools from the country. In effect, the law says: "No wool shrinking over a certain amount shall be imported into the United States except at a loss." It is impossible to escape this prohibition by scouring the wool abroad, because the law expressly provides that the duty on scoured wool shall be three times the duty on grease wool.

The wools required by the carded woolen industry are the short, heavy shrinking grades. This explains one reason why the specific duty on wool is a serious burden on the carded woolen industry and bears lightly on the worsted trade for which the light shrinking wools are chiefly adapted.

Deprived wholly of any supply of foreign wool, the carded woolen industry is forced to rely on the domestic clip, which provides less than half the wool (clean weight) used in the country. This domestic supply is still further restricted by the fact that worsted machinery has been steadily developed so as to comb and spin shorter wools for worsted goods. This is a second reason why the carded woolen industry is placed at a disadvantage.

Restricted to a small part of a small domestic clip, the woolen manufacturer turns to the by-products of worsted manufacture and to reworked wool (shoddy) for a supply of raw material, and again finds conditions adverse to him. The duty on noils, the by-product of worsted combing, which the worsted spinner can not use, is so high as to prohibit importations, and as a result the carded woolen manufacturer is forced to pay the worsted manufacturer a high price for a very limited supply of domestic noils.

The carded woolen manufacturer finds a similar condition when he turns from noils to wool waste and reworked wool. Prohibitory duties on the foreign supply restrict him to the narrow limits of the home supply.

The products of the carded woolen industry are necessary in order to provide the people with warm clothing at a low price. They are pre-eminently the clothing of the poor and of those in moderate circumstances. The effect of the present law has been to make cotton, instead of carded woolen cloth, the substitute for the higher-priced worsted, and thus deprive the consumer of an adequate supply of warm clothing at a moderate price.

It is difficult to avoid the conclusion that the carded woolen industry has been starved while the worsted industry has been placed in a favorable position by reason of the low duty on light shrinking worsted wools and of the high prices at which the worsted by-products have been sold to carded woolen and knitting mills.

It is not surprising that the carded woolen industry has languished under these conditions, nor that those identified with it should now appeal vehemently for a recasting of the tariff on wool and wool goods at the coming revision. It is our purpose here not to recommend a definite schedule, but rather to point out facts that would aid in framing such a schedule. If objection is raised to the abandonment of specific duties on wool on the score of danger of undervaluations, this question may well be asked, Is the evil of undervaluations with an ad valorem tariff, which evil can be limited by the vigilance of the Government, likely to be greater than the evil of discrimination against heavy shrinking wools, which evil can not be limited in any way whatever? It is up to the advocates of specific rates on wool to propose a schedule under which such rates will not favor some and discriminate against others.

I ask leave to print as a part of my remarks the extract to which I have referred from the Boston Textile World Record of January, 1909.

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

The matter referred to is as follows:

[From the Textile World Record, Boston, January, 1909.]

It is evident that one of the most difficult problems before the committee is the removal of the inequalities in the tariff on wool and woolens. The new tariff should afford adequate protection to all

branches of the industry. That is the basic principle on which the revision must be made. It should also bear equally on all branches, favoring none at the expense of the others or of the consumer. The inequalities encountered first are those in rates on wool. As it comes from the sheep's back and is received at the mill, wool contains a widely varying amount of grease and dirt. Some lots may consist of three-quarters grease and one-quarter clean wool; other lots, one-quarter grease and three-quarters clean wool; and no two lots shrink exactly alike.

The Dingley law fixes the tariff on wool at a uniform amount per pound of grease wool, regardless of the amount of grease it contains. Here lies the fundamental and insurmountable difficulty with a specific duty on grease wool. A duty of 11 cents a pound amounts in fact to 44 cents per pound of clean wool if there is 75 per cent of grease present, and to only 14½ cents per pound of clean wool if there is 25 per cent of grease. The result is that the 11-cent duty on wool excludes the heavy shrinking wools from the country. In effect the law says: "No wool shrinking over a certain amount shall be imported into the United States except at a loss." It is impossible to escape this prohibition by scouring the wool abroad, because the law expressly provides that the duty on scoured wool shall be three times the duty on grease wool.

The wools required by the carded woolen industry are the short, heavy shrinking grades. This explains one reason why the specific duty on wool is a serious burden on the carded woolen industry and bears lightly on the worsted trade for which the light shrinking wools are chiefly adapted.

Deprived wholly of any supply of foreign wool, the carded woolen industry is forced to rely on the domestic clip, which provides less than half the wool (clean weight) used in the country. This domestic supply is still further restricted by the fact that worsted machinery has been steadily developed so as to comb and spin shorter wools for worsted goods. This is a second reason why the carded woolen industry is placed at a disadvantage.

Restricted to a small part of a small domestic clip, the woolen manufacturer turns to the by-products of worsted manufacture and to reworked wool (shoddy) for a supply of raw material, and again finds conditions adverse to him. The duty on noils, the by-product of worsted combing, which the worsted spinner can not use, is so high as to prohibit importations, and as a result the carded woolen manufacturer is forced to pay the worsted manufacturer a high price for a very limited supply of domestic noils.

The carded woolen manufacturer finds a similar condition when he turns from noils to wool waste and reworked wool. Prohibitory duties on the foreign supply restrict him to the narrow limits of the home supply.

The products of the carded woolen industry are necessary in order to provide the people with warm clothing at a low price. They are pre-eminently the clothing of the poor and of those in moderate circumstances. The effect of the present law has been to make cotton, instead of carded woolen cloth, the substitute for the higher-priced worsted, and thus deprive the consumer of an adequate supply of warm clothing at a moderate price.

It is difficult to avoid the conclusion that the carded woolen industry has been starved while the worsted industry has been placed in a favorable position by reason of the low duty on light shrinking worsted wools and of the high prices at which the worsted by-products have been sold to carded woolen and knitting mills.

It is not surprising that the carded woolen industry has languished under these conditions, nor that those identified with it should now appeal vehemently for a recasting of the tariff on wool and wool goods at the coming revision. It is our purpose here not to recommend a definite schedule, but rather to point out facts that would aid in framing such a schedule. If objection is raised to the abandonment of specific duties on wool on the score of danger of undervaluations, this question may well be asked, Is the evil of undervaluations with an ad valorem tariff, which evil can be limited by the vigilance of the Government, likely to be greater than the evil of discrimination against heavy shrinking wools, which evil can not be limited in any way whatever? It is up to the advocates of specific rates on wool to propose a schedule under which such rates will not favor some and discriminate against others.

Another problem before the committee, and which is still more closely interlaced with the technical details of textile manufacturing, is the framing of a schedule of rates on wool fabrics which will be uniform on all grades of goods. The first step in reaching a solution of this problem is to obtain facts. The present law is based on the assumption that it requires 4 pounds of grease wool to make 1 pound of wool cloth.

The error of such a general proposition is at once evident, because of the variable shrinkage of grease wools. But it is not enough for the committee to know that the 4-to-1 ratio is wrong. They are charged with the task of finding out what is right. It will aid them in this search to know just how the present law, with its 4-to-1 ratio, has operated on different fabrics. With this object in view we have applied the Dingley rates to a number of wool fabrics which have either been made or analyzed by us personally. We know as well as it is possible for anyone to know how much material is required to manufacture a pound of the respective cloths, and present here the results of our calculations. We believe this is the first time that the results of such an examination of the Dingley schedules have been published.

Dingley schedules.

A25—WORSTED SERGE.

[18.4 ounces per yard, 54 inches wide; 10,000 yards, at \$1, \$10,000; 11,500 pounds cloth. This requires 21,941 pounds grease wool.]

	Duty.	Per cent.
Dingley duty:		
11,500 pounds cloth, 44 cents.....	\$5,060.00	50.6
55 per cent of \$10,000.....	5,500.00	55.0
Total duty.....	10,560.00	105.6
Actual compensatory required:		
21,941 pounds grease wool, 11 cents.....	2,413.51	24.1
Actual protection.....	8,146.49	81.5

Dingley schedules—Continued.
A96—COTTON-WARP DRESS GOODS.

[6.7 ounces per yard, 50 inches wide; 10,000 yards, at 25 cents, \$2,500; 4,187 pounds cloth. This requires 4,515 pounds of grease wool.]

	Duty.	Per cent.
Dingley duty:		
4,187 pounds cloth, 44 cents.....	\$1,842.28	73.7
50 per cent of \$2,500.....	1,250.00	50
Total duty.....	3,092.28	123.7
Actual compensatory required:		
4,515 pounds grease wool, 11 cents.....	496.65	19.9
Actual protection.....	2,595.63	103.8

C96—WORSTED DRESS GOODS.

[6.7 ounces per yard, 50 inches wide; 10,000 yards, at 40 cents, \$4,000; 4,187 pounds cloth. This will require 9,760 pounds of grease wool.]

Dingley duty:		
4,187 pounds cloth, 44 cents.....	\$1,842.28	46
55 per cent of \$4,000.....	2,200.00	55
Total duty.....	4,042.28	101
Actual compensatory required:		
9,760 pounds grease wool, 11 cents.....	1,073.60	26.8
Actual protection.....	2,938.68	74.2

E119—WORSTED SERGE, PIECE DYED.

[14½ ounces per yard, 56 inches; 10,000 yards, at 90 cents, \$9,000; 9,062 pounds cloth. This would require 20,945 pounds grease wool.]

Dingley duty:		
9,062 pounds cloth, 44 cents.....	\$3,987.28	44.3
55 per cent of \$9,000.....	4,950.00	55
Total duty.....	8,937.28	99.3
Actual compensatory required:		
20,945 pounds, 11 cents.....	2,303.95	25.6
Actual protection.....	6,633.33	73.7

A226—COTTON WORSTED.

[14 ounces, 55 inches wide; 10,000 yards, at 50 cents, \$5,000; 8,750 pounds cloth. This would require 3,125 pounds grease wool.]

Dingley duty:		
8,750 pounds, 44 cents.....	\$3,850.00	77
50 per cent of \$5,000.....	2,500.00	50
Total duty.....	6,350.00	127
Actual compensatory required:		
3,125 pounds, 11 cents.....	343.75	6.8
Actual protection.....	6,006.25	120.2

A207—COTTON-WARP, CASKET CLOTH, COTTON, WOOL, AND SHODDY.

[15½ ounces per yard, 68 inches wide; 10,000 yards, at 50 cents, \$5,000; 9,688 pounds cloth. This will require 2,375 pounds cotton warp, 1,600 pounds grease wool, 1,125 pounds raw cotton, 9,563 pounds shoddy.]

Dingley duty:		
9,688 pounds cloth, 44 cents.....	\$4,262.72	85.2
50 per cent of \$5,000.....	2,500.00	50.0
Total duty.....	6,762.72	135.2
Actual compensatory required:		
1,600 pounds, 11 cents.....	\$1,760.00	
9,563 pounds, 5 cents.....	478.15	
	2,238.15	44.8
Actual protection.....	4,524.57	90.4

608—PIECE-DYED KERSEY.

[25 ounces per yard, 55 inches. Stock: Back warp, 40 per cent Oregon, 60 per cent shoddy; face warp and filling, 50 per cent California, 50 per cent shoddy; 10,000 yards, \$1.25, \$12,500; 15,625 pounds cloth. This would require 32,426 pounds wool in grease, 13,167 pounds shoddy.]

Dingley duty:		
15,625 pounds, 44 cents.....	\$6,875.00	55
55 per cent of \$12,500.....	6,875.00	55
Total duty.....	13,750.00	110
Actual compensatory required:		
32,426 pounds, 11 cents.....	\$3,566.85	
13,167 pounds, 5 cents.....	658.35	
	4,225.21	33.8
Actual protection.....	9,524.79	76.2

Dingley schedules—Continued.
E382—COTTON-WARP BEAVER.

[28 ounces per yard, 55 inches; 10,000 yards, at 75 cents, \$7,500; 17,500 pounds. This quantity would require 3,611 pounds raw cotton, 1,309 pounds cotton warp, 22,123 pounds shoddy, 4,886 pounds fine wool, 1,137 pounds coarse wool.]

	Duty.	Per cent.
Dingley duty:		
17,500 pounds, 44 cents.....	\$7,700.00	102.7
50 per cent of \$7,500.....	3,750.00	50
Total duty.....	11,450.00	152.7
Actual compensatory required:		
6,023 pounds, 11 cents.....	\$662.53	
22,123 pounds, 5 cents.....	1,106.15	
	1,768.68	23.6
Actual protection.....	9,681.32	129.1

E24—IRISH FRIEZE.

[34 ounces per yard, 55 inches. Stock: 50 per cent wool and 50 per cent waste; 10,000 yards, at \$1, \$10,000; 21,250 pounds cloth. This requires 23,625 pounds grease wool, 17,719 pounds shoddy and waste.]

Dingley duty:		
21,250 pounds, 44 cents.....	\$9,350.00	93.5
50 per cent of \$10,000.....	5,000.00	50
Total duty.....	14,350.00	143.5
Actual compensatory required:		
23,625 pounds, 11 cents.....	\$2,598.75	
17,719 pounds, at 5 cents.....	885.95	
	3,484.70	34.8
Actual protection.....	10,865.30	108.7

A211—WOOL CASSIMERE, TERRITORY WOOL.

[13 ounces per yard, 54 inches wide; 10,000 yards, at 85 cents, \$8,500; 8,125 pounds cloth. This will require 32,143 pounds grease wool, shrinking 65 per cent.]

Dingley duty:		
8,125 pounds cloth, 44 cents.....	\$3,575.00	42
55 per cent of \$8,500.....	4,675.00	55
Total duty.....	8,250.00	97
Actual compensatory required:		
32,143 pounds, 11 cents.....	3,535.73	41.6
Actual protection.....	4,714.27	55.4

DE—WOOL DRESS GOODS, PIECE DYED.

[6 ounces per yard, 50 inches wide; 10,000 yards, at 40 cents, \$4,000; 3,750 pounds cloth. This would require 14,823 pounds grease wool, shrinking 65 per cent.]

Dingley duty:		
3,750 pounds, 44 cents.....	\$1,650.00	41.2
55 per cent of \$4,000.....	2,200.00	55
Total duty.....	3,850.00	96.2
Actual compensatory required:		
14,823 pounds, 11 cents.....	1,630.53	40.8
Actual protection.....	2,219.47	55.4

It will be noticed that the "actual compensatory" is based on the amount of grease wool extended at 11 cents a pound and of waste or shoddy extended at 5 cents. This is on the assumption that the cost of wool in this country is increased by the full amount of the duty, which is not always the case. In the case of waste and shoddy 5 cents a pound has been allowed, because it would clearly be wrong to take the full amount of the duty, 10 to 20 cents, which in many cases is more than the total cost of the material in question. We have sent to England for samples of the cheap fabrics on which the compensatory duty per pound, owing to the lower valuation, is less than four times the duty on a pound of wool, and hope to give the results of our analysis in an early issue.

The following summary enables a comparison to be made for each of the fabrics between the duty as divided between "compensatory" and "protective" in the present law and as actually divided in practice:

	Dingley duty.		Actual.		Total duty.
	Compensatory.	Protective.	Compensatory.	Protective.	
A25—Worsted serge.....	50.6	55	24.1	81.5	105.6
A96—Cotton-warp dress goods.....	73.7	50	19.9	103.8	123.7
C96—Worsted dress goods.....	46.0	55	26.8	74.2	101.0
E119—Worsted serge piece, dyed.....	44.3	55	25.6	73.7	99.3
A220—Cotton worsted.....	77.0	50	6.8	120.2	127.0
A207—Cotton-warp casket cloth.....	85.2	50	44.8	90.4	135.2
608—Piece dyed kersey.....	55.0	55	33.8	76.2	110.0
E382—Cotton-warp beaver.....	102.7	50	23.6	129.1	152.7
E24—Irish frieze.....	93.5	50	34.8	108.7	143.5
A211—Wool cassimere.....	42.0	55	41.6	55.4	97.0
DE—Wool dress goods.....	41.2	55	40.8	55.4	96.2

We have purposely excluded details of cost of manufacturing from these tables in order to avoid complications and confine attention to one important phase of tariff revision. Even now they involve many details and require careful study in order to determine their bearing on the revision of the tariff. One of the defects in the present tariff on wool goods, and perhaps the only one that attracts the attention of the public, is that the aggregate ad valorem rates amount in many

cases to considerably more than 100 per cent. Popular attention is also directed to the fact that the tariff is prohibitory on the cheaper grades of goods. This fact is being seized by politicians as a basis for the cry of discrimination against the poor and in favor of the rich. It is the part of wisdom for the textile trade to look the situation squarely in the face and devise some plan by which the friends of protection at Washington may be able to frame a law that will not only avoid favoring one branch of the wool and wool-goods trade at the expense of the other, but which will remove all grounds for the belief on the part of the public that the rates favor the producer at the expense of the consumer.

When inequalities in a tariff are corrected some one must give up an unfair advantage in justice to others. The woolgrower, the worsted spinner, the woolen manufacturer, and Congress, representing all interests, including the consumer, should get together with the determination to incorporate in the tariff bill of 1909 the square deal of which we have heard so much for seven years. The woolgrower may find that he needs protection against evils at home more than against imports from abroad; the worsted spinner may realize that his higher interests require a yielding up of some of the advantages he now possesses; while the carded-woolen manufacturer would doubtless gladly exchange such tariff protection as he does not need for a supply of the raw material without which he can not live. And this general equalization of rates, while affording adequate protection to American industry, will satisfy the consumer, who is the final arbiter in this country.

A majority of the people in the United States believe in adequate protection and want it incorporated in the new bill. They also want excessive protection abolished. Under these conditions the course for the textile industry to adopt is plain. It is to aid Congress to determine what is adequate protection and to insist that the rates on all goods shall be lowered or raised as may be necessary to bring them to the "adequate" mark.

Mr. WARREN. I do not yet understand what the gentleman proposes to do, unless he proposes an ad valorem tax; and I will ask the Senator from Iowa whether that is his proposition?

Mr. DOLLIVER. I do not know what he proposes. I know what I propose, although I despair of getting my honored friend the Senator from Wyoming to help me with it.

Mr. WARREN. Let me say to my honored friend the Senator from Iowa if he will show me anything that will benefit those who grow the wool, those who manufacture it, and those who consume it, I will be glad to go with him.

Mr. DOLLIVER. I am afraid that in reality the Senator from Wyoming has the same misgivings about it that were expressed by the Senator from Montana. He has not so much opposition to it as a dull fear, intuitively interpreted by long experience, that if the schedule were once reopened, it does not lie with human wisdom to tell what may happen to it in the course of the next few weeks.

Mr. WARREN. What is the "it" to which the Senator from Montana assented and I did not?

Mr. DOLLIVER. A proportional statement of specific duties upon raw wool in the ratio of its shrinkage.

Mr. WARREN. How would the Senator decide the percentage?

Mr. DOLLIVER. By modern methods, of which I can not find that anybody in the Senate has ever heard.

Mr. WARREN. Will the Senator permit me right here?

Mr. DOLLIVER. Yes.

Mr. WARREN. I have within a very few days had some experience in regard to this matter, and I want to say, if the Senator has any way of unraveling that problem of deciding what is the shrinkage on wool, so that we can put on an ad valorem tax and base it upon the shrinkage, and go through the custom-house safely, he will perform one of the great wonders of the age.

Mr. DOLLIVER. Mr. President—

Mr. WARREN. One moment, please. I want to say to the Senator that neither his wool nor the wool of any other man will be sold in large quantities upon any market in this country without taking the wool itself, or some of it, to the factory and scouring it, and buying it upon what it really shrinks. Would the Senator undertake to say that the wool shall be scoured, all of it, under government supervision, before it passes out of the care of the custom-house?

Mr. DOLLIVER. On what basis does a man who is buying wool of the Senator from Wyoming buy it? Does he buy the dirt and grease in it?

Mr. WARREN. He buys it upon what he believes will be its scoured value.

Mr. DOLLIVER. Are there no facilities out in Wyoming to enable him to judge what are the scoured contents of a fleece?

Mr. WARREN. There are not.

Mr. DOLLIVER. Where is that decision made?

Mr. WARREN. There are not, because the wools purchased by the different dealers for different manufacturers are subjected to different treatments according to what they are intended for; and hence every western scouring concern which has been started, in my knowledge, except the one in Aurora, Ill., has closed, because the wool has to be brought to market in the grease and scoured after arrival at its destination.

When the wool is offered for sale and the Senator from Iowa comes in to buy it, if he is willing to trust his judgment sufficiently to pay the price asked by the dealer, he may buy it and

take the chances, but in buying large quantities of wool it almost invariably happens that sample bags will be ordered and the sample sent to a factory, where it is scoured in order to find out what it shrinks, and then he comes back and buys the wool in quantity on the actual results of his test.

Mr. DOLLIVER. Is not that exactly what is going on at the custom-house when duties are assessed upon certain cloth? Are not samples removed and tested?

Mr. WARREN. The Senator certainly can not have given that the attention which he usually gives to matters about which he talks, if he thinks the custom-house is going to be able to say how the raw wool will scour.

Mr. DOLLIVER. I was not talking about wool.

Mr. WARREN. One moment.

Mr. DOLLIVER. There are many things that come into the custom-house upon which they do assess duties by taking specimens out of the consignment and making the assessment upon the consignment on a standard determined by what appears from the specimens.

Mr. SMOOT. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. In answer to that question I wish to say this: I have gone to a wool camp where there have been racks of wool blocks long and containing hundreds of tons. The clips were offered for sale. I have taken one sack, sometimes two, sometimes three; I have shipped them to the mill. I have scoured the sample bags of wool and purchased the clip upon the scoured result of the three bags. When I came to scour the whole clip, I have found a discrepancy of at least 5 to 6 per cent. No one can tell what a clip of wool will shrink until it is all scoured.

Mr. DOLLIVER. But this was a very modest transaction in the open air, in a salubrious climate. There are millions of pounds of wool sold every year in London. The agents of every nation in the world are there buying wool. Nobody buys the dirt that is in the wool, or the grease. Everybody buys and pays for the scoured contents of the bale. How do these agents tell how much to bid at the London auction?

Mr. SMOOT. A man goes into the London auction—I have been there and seen purchases made; I have seen the samples taken from a lot—just the same as in purchasing wool in the West. They get it scoured, and upon that sample they bid on the wool. But that does not prove that the whole clip of wool or the amount of the purchase will shrink the same.

Mr. DOLLIVER. No.

Mr. SMOOT. But it gives them an idea as to what it will shrink. A man has to use his own judgment in buying wool in London the same as in the West. I have missed the scoured result in many clips as high as 5 and 6 and 7 per cent, and I think that every wool buyer who has had any experience has done the same.

Mr. DOLLIVER. If we could get a scheme here of assessing this wool that would reduce the error to 5 or 6 per cent, it would be the very step forward to which my friend the Senator from Wyoming has alluded. The truth is, we have now a system that in the very nature of the case has ranged from 75 per cent down to nothing, and everything is assessed as if it were of one value and one shrinkage.

When I propose to assess it upon the shrinkage, the Senator says there is sometimes a difference of 6 per cent in judging of the character of the fleece. If I could be certain we could reduce this inequality to 6 per cent, I would not for a moment hesitate in calling on my friend from Wyoming to follow my suggestion.

Mr. SMOOT. The Senator from Iowa is talking about percentages, and the illustration as stated by me is as to dollars and cents. I desire to say that wools, no matter what kind, are bought upon the scoured basis; and if they shrink 20 per cent, they are bought upon the basis of a shrinkage of 20 per cent. If they shrink 80 per cent, they are bought upon the basis of a shrinkage of 80 per cent.

Mr. WARREN. Mr. President, it stands to reason that if there is a tariff of a certain rate upon wool, those who raise the wool in a foreign country—if it is per pound—will select the lighter wools for this market. There is no doubt about that. You go to the shearing pens and you will find them throwing the light fleece in one direction and the heavy fleece in another; the light fleece for exportation to the United States; the heavy for Bradford and other markets. The concession which has been made, if I may term it such, by the woolgrowers in favor of the wool manufacturers, as regards the skirting clause, has helped those who intended to import wool to reduce it nearer to an equilibrium, because only the light wools will come into this country. There is no advantage in that given either to the

carded woolen men or to the worsted men. All of us understand that. The wools of lighter shrinkage will come here, and the market abroad is governed accordingly. The market abroad is governed by the shrinkage of wool, and if the worsted men want to buy No. 2, which shrinks but little, the price abroad is regulated by the price it will bring here, duty paid. So there is no advantage. Prices rise and fall according to the laid-down duty-paid scoured prices at the factory, and hence the light-shrinkage wool costs the buyer just as much more as the light shrinkage differentiates in the grease from the wool of heavy shrinkage.

Mr. DOLLIVER. Mr. President, I do not think the carded woolen manufacturers and the manufacturers of knit goods in the United States or other forms, outside of the worsted industry, ought to be shut out by so high a duty as the Senator proposes from the universal market for those wool substitutes. I recognize the fact that nearly everybody is prejudiced against rags, and I have often myself heard gentlemen—and I am not certain that I have not followed the custom—speak of the beggars of Europe raking the gutters of Constantinople for woolen cloths for the purpose of bringing them to the United States to be afterwards worn upon the backs of our people. There is a good deal of humbug about that.

As I said yesterday, the Providence that made this world made wool practically indestructible, and when the process of refining wool is completed, when the dirt is taken out of it and the filth and the disease purged away from it by chemical operations, the wool fiber remains absolutely pure and absolutely clean. That is true even of rags which have been dug up in Constantinople.

Mr. WARREN. Will the Senator permit me?

Mr. DOLLIVER. Certainly.

Mr. WARREN. Is the Senator undertaking to assert that wool loses nothing in all these processes and that remanufactured wool, shoddy, and so forth, is equal to the original clean wool?

Mr. DOLLIVER. Oh, no. It is not equal to it. It has the disabilities of age and that treatment which comes to things and people who are without friends in a world like this.

Mr. WARREN. I am very glad to say that from the foundation of this plan of a tariff upon wool, people who have been interested in enacting the laws have felt that if they took care of their own rags in this, their own, country, they did not need to pull down the bars for the rags of the pauper cities of this world, diseased as they might be, old as they must be. We have rags enough and shoddy enough in this country to get along well with. Shall we let down the bars lower than we have heretofore? We have already reduced the rate in the tariff on noils since the McKinley law. We have reduced it 50 per cent. We have reduced it from 30 cents to 20 cents per pound, which is a reduction of 50 per cent.

Mr. President, it was stated yesterday by the Senator from Minnesota that this wool schedule was a time-honored sort of chestnut and had hoary whiskers on it, but we are talking now about a duty that has been reduced 50 per cent since the McKinley law was passed.

Mr. DOLLIVER. Mr. President, I want to say a word further. The outcast rags of the world are by no means the most important kind of rags that are involved in this amendment. Rags, in the sense of this amendment, are a by-product of the tailor shops, big and little. In fact, they are the by-product of every household in the country. They are saved, and they ought to be saved, because the supply of wool, as Mr. Dale shows distinctly by uncontroverted figures, is not sufficient to give the people who live in this world, outside of the Tropics, one suit of woolen clothes in three years.

Therefore it is of vast importance to the comfort of this world that there should be economy in the saving of all these wastes and by-products, and as I have intimated in illuminating a little broader philosophy, I think that was the design of Providence in making wool, as He has made the precious metals, indestructible.

Mr. WARREN. Would the Senator depend on the products of old rags from abroad rather than to have new, clean, fresh wool?

Mr. DOLLIVER. Mr. Dale shows that after all these things have been said and done, the woolen mills are compelled to turn to these products.

Mr. WARREN. I am talking about imported stock. Would the Senator rather import rags than pure wool? That is the question.

Mr. DOLLIVER. I do not want to import either; and I will tell you why I want to have this duty reduced a little.

Mr. WARREN. But admitting that we have to import one or the other, which the Senator knows is true, what will we import, rags or wool?

Mr. DOLLIVER. I think I would prefer to import wool myself.

Mr. WARREN. Very true. The Senator proposes now to reduce the price on shoddy or rags so that they come in here and cut out the pure wool of this country, and he is going to reduce it so that instead of importing good wool from other countries, the manufacturers are going to bring in shoddy. That is the difference.

Mr. DOLLIVER. Going upon the theory that these carded woolen manufacturers can get goods cheaper and sell cheaper, they will have to turn to the "rag market," so called, to the market that handles the by-products, in order to piece out the wool supply that lies in the United States, since they are shut out entirely from the high-shrinking wools by the unscientific way in which this duty is assessed upon all wools. I want to know whether it is the wish to leave them dealing with such rag dealers as now occupy this market in the United States?

Mr. SMOOT. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. I think it would be very unfortunate for the carded woolen people to give it out to this country that they are depending upon rags to make their goods.

Mr. DOLLIVER. Mr. President—

Mr. SMOOT. Just a minute, and I will be through. That is one reason why the carded woolen people are suffering to-day. The market has been demanding year in and year out a cheaper class of goods, and because a manufacturer one year sold his line of tricots for \$1.40, the very next year every clothing manufacturer in the United States would say we want a tricots for \$1.35, the following year for \$1.30, next for \$1.25, and continued until they got the price down to \$1.05 a yard.

Mr. President, how can they make it? In only one way; and that is to take out the pure wool and put in the waste and rags to cheapen the product. I believe to-day that if all the carded woolen men of this country had stood firm, and said to the American clothing manufacturer, "We will not so cheapen our goods," they would be better off than they are to-day. As far as I am concerned, I would like to see the duty on rags so high that no European rags could ever be brought into this country to be put in clothing to be worn upon the backs of the American people.

Mr. DOLLIVER. Mr. President, there is a good deal of truth in what the Senator says and a good deal of sentiment. He falls back on the prejudice against rags which everybody entertains. But that does not throw practical light upon the situation in which these manufacturers are placed. They say that they can not import the high-shrinkage wools because—

Mr. WARREN. Will the Senator permit me there?

Mr. DOLLIVER. Certainly.

Mr. WARREN. Mr. President, the Senator says they want to get shoddy because there is a shortage of wool. Why not import wool, then?

Mr. DOLLIVER. Because you have a scheme here in the first part of the bill that makes it impossible to import high-shrinkage wools. Whenever wool rises to a shrinkage of 70 per cent, you have a duty of 36½ cents a pound on the scoured contents of every pound. You have a statutory duty of 33 cents on scoured wool; that is our advertisement; and you have an actual duty of 36½ cents on every scoured pound of wool that comes in here shrinking 70 cents on the hundred.

Mr. WARREN. Let me tell the Senator what happened under the Wilson law.

Mr. SMOOT. Let me tell him about this other.

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. I should like to see the carded-wool people say to the American people, "We are not going to use rags at all; if we are going to cheapen the product, we will cheapen it by mixing cotton instead of woolen rags." Let me tell you why they do not do so. When the clothing manufacturer uses cloth he wants it in such a condition that he can say to the American people that it is all wool, and when it is tested by the chemicals it will show that it is all wool. If that same product carried cotton instead of waste, it would be a better article, but chemically treated it would show just the amount of cotton in it, and the clothing manufacturer could not say to the people that it is all wool. The cloth itself would be a great deal better if it had our best staple cotton instead of these chopped-up rags.

Mr. DOLLIVER. Mr. President, the eloquence of the Senator from Utah entertains, but it does not put a light on the pathway in which I was trying to walk.

Mr. WARREN. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. DOLLIVER. Certainly.

Mr. WARREN (continuing). Speaking of rags, some of our friends of the other party, when they were in power, feeling that the consumer ought to be cared for, gave him free wool. They wanted to be generous. They also gave him free shoddy. The consequence was that while we had been importing before that time, I think less than one-quarter of a million pounds of shoddy in a year, with wool free and with shoddy free, we imported over 45,000,000 pounds of shoddy the first year under the Wilson and Gorman tariff act.

Now, I ask the Senator, with wool free and shoddy free, which best serves the consumer? Would he have shoddy instead of wool?

Mr. DOLLIVER. At that time we had not money enough to buy either.

Mr. WARREN. That is true, probably; but at a time like the present, when the best worsted goods are being sold, double width of 56 inches, 3 to 3½ yards, sufficient to make a suit of clothes, at the small price of from 85 cents to \$1.25 per yard, do we need to ask to put our tariff down where rags instead of all pure wool shall enter into the structure of the cloth for our working people? Here is the product of rags [exhibiting]. It has no fiber of length, as the Senator can see.

Mr. DOLLIVER. Do you mean to say that all shoddy is without any fiber at all?

Mr. WARREN. It is a broken and worn fiber. I want to say that while this shoddy does thicken the cloth and does make it warmer if you can keep it hanging together long enough, at the same time it cuts out just that much weight of our domestic wool—it takes just that much wool market away from the wool-growers. The proposition right now is, Shall we clothe our people in rags or shall we clothe them in home-grown wool, and if we fall short between the supply and the need, shall we buy shoddy or shall we buy wool?

At the time the Senator speaks of, when over 45,000,000 pounds of shoddy came in here, we had all we could do to buy even cheap clothing. Does the Senator want to reduce us to that point now?

Mr. DOLLIVER. No.

Mr. WARREN. Does he wish to make the price of shoddy so much less than the price of wool that the temptation will be ten times as great as it was then? They made cloth at that time of single width—27 inches—that was sold here for 18 cents per yard, and the men who bought it were beaten out of 17½ cents on every yard of it.

Mr. CARTER. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Montana?

Mr. DOLLIVER. Certainly.

Mr. CARTER. I desire to ask the Senator from Wyoming if it is not a fact that those who sell the cloth made of this shoddy always advertise the cloth as all wool and never advertise it as a product of shoddy, and if it is not therefore an imposition on the purchasing public?

Mr. WARREN. Yes. In the past, not long ago, a tender of law along the lines of the oleomargarine and pure-food laws, to require cloth to be tabbed with the material in it, was offered, and there was such an earnest protest on the part of the manufacturers of cheap woollens as probably was never before offered under the Dome of this Capitol, and we were compelled to drop it there.

Mr. DOLLIVER. Mr. President—

Mr. WARREN. Just a moment more, if the Senator will allow me.

I may not be very well dressed at this moment, but of the suit of clothes that I now have on, the cloth, 54 inches wide, costs, the mill price, \$1.20 per yard. Now, the cheapest shoddy cloth that ever was made, and that was in times of free shoddy, was 18 cents per yard for half that width, which would be 36 cents, in comparison with \$1.20 for all pure new wool worsted cloth. I ask if we want to encourage by letting down the bars here the introduction of rags that take away pound for pound the market of the American woolgrower for just that much of his product; and, second, deal out to the customer a fabric which, if he once gets it wet, he will have to hang out and call in a neighbor to tell him what kind of garment it is when dry, for it will be out of shape if not all to pieces? Here we have the opportunity to have clothing of the best character for a matter of \$3 or \$4 for the cloth in a suit, and it costs for making the suit just as much if it is a rag suit made of shoddy as it does if it is an all-wool suit.

Is it necessary for us to reduce the price of shoddy down to a lower tariff ratio than we put on anything else in the woolen line, so that the consumers of this country at every point can be humbugged and robbed? Is that what the Senator would like to do? We have rags of our own. We make them into shoddy. As the Senator says, we take them from the tailor, we take them wherever they fall, and they enter into our manufactures. Now, the Senator asks us to let down the bars and import rags from all pauper cities of Europe to drive out the woolgrowers that grow wool here, and to keep from buying absolutely pure wool abroad that can be bought almost as cheap as the rags themselves.

Mr. DOLLIVER. Mr. President, I do not intend to allow the Senator's statement that I want this country flooded with rags from abroad—

Mr. WARREN. I ask the Senator if he wishes that to be done?

Mr. DOLLIVER. I do want this duty on rags high enough to keep them out, but I do not want them so high as to invite enterprising persons to organize the rag business into one hand.

I called attention this morning to the fact that this duty is mere guesswork. There is no man on the committee or on this floor who knows what the difference in the price of rags in London and New York is. It is just simply a piece of ordinary mental play in which these duties are put absolutely prohibitive. The result of it has been, first, to keep rags out, and I am glad of it; and the second result has been to organize in this market place the United Woolen By-Products Company, generally known as the "rag trust." The result is that every American woolen manufacturer is trying to buy our own rags sent, not to Europe, Asia, Africa, or the islands of the sea, but to the city of New York, and Cincinnati, and Cleveland, and Chicago, and St. Louis, and San Francisco, to the agents of the American Woolen By-Products Company, and these people are robbed without benefit of clergy; and they are here complaining about it.

Mr. WARREN. Will the Senator tell us about this great corporation that he mentioned that nobody else knows anything about?

Mr. DOLLIVER. My honored friend has not forgotten.

Mr. WARREN. Will he point us where we can go and find it, so we can learn where all the woolen factories are located and what their capital is, and so forth? Can he direct us to some point where we can get the particulars of the concern actually doing business that has a corner on rags?

Mr. DOLLIVER. If my friend will consult the junior Senator from Ohio [Mr. BURTON], whom I do not happen now to see in this Chamber, he will give him particulars of that branch of the rag trust that is now operating in Cleveland.

Mr. LA FOLLETTE. Mr. President—

Mr. WARREN. Does the Senator feel that we are going to be short of rags? Does he fear a dearth of rags?

Mr. DOLLIVER. I do not think the rag trust is going to be short of money so long as the carded woolen manufacturer must purchase from it.

Mr. WARREN. The carded woolen manufacturer desires to clothe the people well and that they shall not depend upon rags.

Mr. DOLLIVER. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. On the subject of shoddy, I have a bit of testimony taken from the hearings before the Ways and Means Committee which I think will be pertinent at this point of the discussion. When Mr. Whitman—

Mr. WARREN. Will the Senator please direct us to the page of the testimony?

Mr. LA FOLLETTE. I am not able to cite the page just now, but I will cite an incident and will give all of the testimony from the hearings. I think the Senator from Wyoming will be able to turn to it without any difficulty.

Mr. WARREN. I only wished to see what might precede and what succeed it.

Mr. LA FOLLETTE. When Mr. William Whitman, of "wool top" fame, was before the Committee on Ways and Means, on the 2d day of December, Mr. LONGWORTH, of Ohio, a member of the Committee on Ways and Means, propounded to him the following question. You can find it in Mr. Whitman's testimony without much difficulty, I think, but I will give you all there is of it. I have not garbled it.

Mr. LONGWORTH. I desire to ask you a question which will not involve any political theory, and I will put it in the form of reading to you a few sentences from a letter that I received this morning from a constituent of mine. I will say that he is a Republican—I know it because I served with him in the legislature—and therefore he would not be biased by free-trade theories in asking for a reduction in the tariff on woollens. He makes this statement: "As a manufacturer of clothing for a period of almost fifty years, I can truthfully state that I never handled cloth of so inferior a quality

for the price as I do now. The masses, consisting of laborers, mechanics, and farmers, the real users of ready-made clothing, are receiving practically no value for their money. The qualities and colorings are so poor that in many instances the colorings fade and cockle, and in the manufacture of garments give positively no satisfaction to the wearer."

End of the quotation from the letter. Mr. LONGWORTH says:

I would like to hear your comments on that statement.

Mr. WHITMAN. It is not true.

Mr. LONGWORTH. It is not true?

Mr. WHITMAN. It is not true. There never was a time in the history of the United States when goods were as well made as they are now, and there never was a time when the people wore such good clothing; and I will apply that to both men and women. (Pp. 5352 and 5353, Tariff Hearings, Vol. V, Woolen and Worsted Industry.)

At the bottom of the same page upon which I find this statement of Mr. Whitman as a footnote there appears a letter which evidently was placed in the hearings by Representative LONGWORTH. It came manifestly in response to Mr. Whitman's denial, and reads as follows:

CINCINNATI, OHIO, December 9, 1908.

Hon. NICHOLAS LONGWORTH,
Ways and Means Committee, Washington, D. C.

HONORED SIR: At a meeting of the Cincinnati Clothiers' Association, held on the 8th day of December, 1908, Max Silberberg presented and read copy of a letter which, under date of November 30, 1908, he had addressed to the Hon. NICHOLAS LONGWORTH, Congressman from the First Ohio District, member of the Ways and Means Committee, on the subject of the tariff as it affects fabrics entering into the manufacture of clothing, and the attention of the association was called by Mr. Silberberg to the fact that Mr. LONGWORTH had referred, in the course of an examination of Mr. William Whitman, president of the National Association of Wool Manufacturers (who appeared before the Ways and Means Committee to testify), to the letter addressed to him by Mr. Silberberg and asked Mr. Whitman to comment thereon, and especially to a statement made in said letter that "Never before in the history of the country had woollens from the mills been so rank and costly to the clothing manufacturers as now." To which Mr. Whitman replied: "It isn't true."

The Cincinnati Clothiers' Association, composed of substantially all the clothing manufacturers of Cincinnati, Ohio, wishes to corroborate each and every statement contained in the letter addressed by Mr. Max Silberberg to the Hon. NICHOLAS LONGWORTH, dated November 30, 1908, and desires in this way to make each and every statement contained in said letter the statement of this association, and the president and secretary of this association are authorized and directed to certify this action and forward the same to the Hon. NICHOLAS LONGWORTH, for presentation to the Ways and Means Committee of the Congress of the United States.

We, the undersigned, president and secretary of the Cincinnati Clothiers' Association, hereby certify that the foregoing action was taken and adopted by said association at a meeting thereof held on the 8th day of December, 1908.

CHARLES SHOHL, President.
ENOCH L. STRICKER, Secretary.

The PRESIDING OFFICER (Mr. SMITH of Michigan in the chair). The Senator from Iowa will proceed.

Mr. DOLLIVER. Mr. President, I do not want to go any further into that question except to state that if what these people say is true we have not escaped this affliction of rags by the policy that has been pursued up to this time.

Mr. WARREN. Will the Senator from Iowa permit me?

Mr. DOLLIVER. Certainly.

Mr. WARREN. The Senator knows that there is a large product of rags in this country. The larger portion is what falls from the tailor's cutting bench or table, because we do not have that ragged, poor population that some of the old countries have, thanks to our better country, better legislation, tariff acts, and so forth. So rags are bound to enter into the manufacture of cloth to a greater or less extent. But the point I want to make is, that after we have taken care of our own wool and our own rags, shall it be wool that comes in as an extra supply, or shall it be the rags from the slums of foreign countries?

Mr. DOLLIVER. Mr. President, I want to say just a word about this despised shoddy. I have in my mind a very excellent treatise on textile fabrics by Professor Matthews, who is the head of the chemical and dyeing department of the Philadelphia Textile School, and he speaks of this despised shoddy in such terms as would almost seem to refute some descriptions that have been made of it. In fact, he devotes a chapter to the various ways of determining whether goods are made of pure wool or shoddy, and he ends his chapter by saying, on page 74, that "Most samples of shoddy in fact show scarcely any structural difference from ordinary fleece wool." I have quoted that to show that there are all grades of these materials, though I desire to add that I do not want any of them admitted into the United States.

The thing I complain of is that we are putting a duty upon them not only high enough to keep them out, but high enough to warrant the organization here of mercantile agencies, the operation of which has been greatly to the disadvantage of those of our own manufacturers who are compelled to buy these articles in the ordinary course of their business.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The paragraph as amended is agreed to, if there is no objection. The Chair hears none.

The SECRETARY. The next paragraph passed over is paragraph 372, "wool and hair which have been advanced in any manner," and so forth.

Mr. DOLLIVER. I desire to offer a substitute for the Senate amendment.

Mr. ALDRICH. There is no amendment to the paragraph.

The PRESIDING OFFICER. The question is on agreeing to paragraph 372.

The paragraph was agreed to.

The PRESIDING OFFICER. The Secretary will read the next paragraph.

The SECRETARY. The next paragraph passed over is paragraph 373.

Mr. DOLLIVER. I desire to offer a substitute for paragraph 372, which I will send to the desk.

The PRESIDING OFFICER. Paragraph 372 has been adopted, unless there is objection.

Mr. DOLLIVER. I desire to have it reconsidered for the purpose of offering a substitute.

Mr. GALLINGER. Let it be reconsidered.

Mr. ALDRICH. I have no objection to its being reconsidered for the purpose of offering a substitute.

The PRESIDING OFFICER. Reconsideration will be granted, unless there is objection. The amendment of the Senator from Iowa will be read.

The SECRETARY. On page 129, paragraph 372, strike out the House text and insert the following:

372. Wools advanced from the scoured state, known as tops, valued at not more than 40 cents per pound, 30 cents per pound; valued at more than 40 cents per pound, 35 cents per pound; and in addition thereto on all the foregoing, 20 per cent ad valorem.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa as a substitute for paragraph 372.

Mr. DOLLIVER. I desire to have the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CURTIS (when Mr. BOURNE's name was called). I am requested to announce that the senior Senator from Oregon [Mr. BOURNE] is paired with the junior Senator from Indiana [Mr. SHIVELY].

Mr. DILLINGHAM (when his name was called). I have a general pair with the Senator from South Carolina [Mr. TILLMAN], which, in his absence and with the consent of the junior Senator from Mississippi [Mr. McLAURIN], I transfer to the senior Senator from Maine [Mr. HALE], which will leave the Senator from Mississippi and myself at liberty to vote. I vote "nay."

Mr. FRAZIER (when his name was called). I am paired with the senior Senator from New York [Mr. DEPEW]. If he were present, I should vote "yea."

Mr. McLAURIN (when his name was called). Under the arrangement announced by the Senator from Vermont [Mr. DILLINGHAM], I am at liberty to vote, and I vote "yea."

The roll call was concluded.

Mr. SCOTT. I desire to announce—and it will not be necessary to make this announcement again—that my colleague [Mr. ELKINS] is unavoidably detained to-day from the Senate. He is paired with the junior Senator from Texas [Mr. BAILEY]. I shall not make this announcement on future roll calls.

The result was announced—yeas 29, nays 42, as follows:

YEAS—29.

Bacon	Davis	McLaurin	Simmons
Bristow	Dolliver	Martin	Smith, Md.
Brown	Fletcher	Money	Stone
Burkett	Foster	Nelson	Taliaferro
Clapp	Gore	Newlands	Taylor
Clay	Hughes	Overman	
Culberson	Johnston, Ala.	Paynter	
Cummins	La Follette	Rayner	

NAYS—42.

Aldrich	Crane	Gugenheim	Root
Borah	Crawford	Heyburn	Scott
Bradley	Cullom	Johnson, N. Dak.	Smith, Mich.
Brandegge	Curtis	Kean	Smoot
Briggs	Dick	Lodge	Stephenson
Bulkeley	Dillingham	McCumber	Sutherland
Burnham	Dixon	McEnery	Warner
Burrows	du Pont	Page	Warren
Burton	Flint	Penrose	Wetmore
Carter	Gallinger	Perkins	
Clark, Wyo.	Gamble	Piles	

NOT VOTING—20.

Bailey	Clarke, Ark.	Frye	Owen
Bankhead	Daniel	Hale	Richardson
Beveridge	Deputy	Jones	Shively
Bourne	Elkins	Nixon	Smith, S. C.
Chamberlain	Frazier	Oliver	Tillman

So Mr. DOLLIVER's amendment was rejected.

The paragraph was agreed to.

The PRESIDENT pro tempore. The next paragraph passed over will be stated.

The SECRETARY. The next paragraph passed over is 373, to which the Committee on Finance propose an amendment on page 130, line 2, after the word "class," to strike out "in addition thereto 25 per cent ad valorem;" and in line 7, after the word "thereto," insert the words "upon all the foregoing."

The PRESIDENT pro tempore. The question is on the amendment proposed by the Committee on Finance.

The amendment was agreed to.

Mr. DOLLIVER. Mr. President, I desire to offer a substitute for paragraph 373, which has just been amended.

The PRESIDENT pro tempore. The amendment proposed by the Senator from Iowa will be stated.

The SECRETARY. On page 129, beginning in line 25, it is proposed to strike out paragraph 373, and in lieu thereof to insert the following:

373. On yarns made wholly or in part of wool, valued at not more than 40 cents per pound, 27½ cents per pound on the wool contained therein; valued at more than 40 cents per pound, 38½ cents per pound on the wool contained therein; and, in addition thereto, on all the foregoing, 35 per cent ad valorem.

Mr. DOLLIVER. Mr. President, this is the first paragraph in which a peculiar anomaly of our wool tariff, which has been perpetuated for a great many years, appears, and that is our effort to compensate the manufacturer on account of the loss which he sustains by reason of the tariff on raw wool. So, in the case of yarn, we propose to compensate him by assessing on imported yarn three times the duty on the corresponding class of wool, and, in addition to that, a protective ad valorem of a given percentage.

I have already stated that I do not intend now to make any fight on this theory of compensatory duties, although I am sure that the compensatory rates are not scientifically proportioned, and in themselves operate to create unnecessary inequalities; but there is one thing of which I feel comparatively sure, and that is when you compensate a man for a loss which he has sustained you ought to be certain he has sustained the loss.

Therefore, in making compensation to the manufacturer for the loss which he has sustained by reason of the duty on the wool contained in these yarns, I propose to assess the compensation, not upon the weight of the yarns, but upon the weight of the wool contained in them. I submit that amendment for the friendly consideration of the Senate.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Iowa [Mr. DOLLIVER].

Mr. LA FOLLETTE. Mr. President, on the 25th of September, 1908, Mr. Taft, then the candidate of the Republican party for the Presidency, said, at Des Moines, Iowa:

It is my judgment that a revision of the tariff in accordance with the pledge of the Republican party will be, on the whole, a substantial revision downward, though there probably will be a few exceptions in this regard.

I doubt if there were any schedules of the Dingley law more prominently in the mind of Mr. Taft when he uttered those words at Des Moines, Iowa, than the schedule now under consideration. He was then upon his western tour in the presidential campaign and was addressing voters in support of his candidacy. I think in no speech which he made in the Middle West did he neglect to emphasize this idea and to make substantially the statement which I have quoted.

Mr. President, all students of the tariff question must realize that this particular schedule relating to wool and woollens, essentially a necessary of life, should, above all others, be carefully reconstructed as to the manufactures of wool and revised downward. But this schedule has not been reconstructed in accordance with the petitions of the American people nor the pledges of the Republican platform.

I believe, sir, that the manufacturers of certain classes of woolen fabrics have come into almost supreme control and have succeeded in impressing upon the Congress their views and their interests to the exclusion of the interests of the consumers of the country.

I believe with the Senator from Iowa that the coalition formed many years ago between the representatives of the wool producers and the manufacturers now operates as a hardship upon the producers of wool and gives to the manufacturers, and especially to the manufacturers of one branch of this business, an unjust measure of protection.

I wish to direct the attention of the Senate to some of the reasons why this wool and woolen schedule should be dealt with thoroughly and comprehensively and according to the true principles of protection.

COMBINATION IN WOOL INDUSTRY.

First, I assert that there is a combination in one branch of this industry creating a changed condition, which must be recognized

in fixing the tariff duties if the interest of the average citizen is to receive any consideration. I cite the highest authority in this country, giving the exact facts showing the existence of a trust in the manufacture of worsted cloth. I refer to Moody's "The Truth About the Trusts," published in 1904, from which I have already quoted in this debate. It is not a partisan work, but an authoritative compilation by one of our great economic students of the facts of record concerning every great trust in the country in 1904. It is not an attack upon the trust system; it simply records the facts respecting every important trust, the date of its organization, under what state law it was organized, the number of theretofore independent companies which came into it, and the percentage of control over the business, together with capitalization and other facts of a similar character.

Mr. Moody has this to say with respect to this trust:

AMERICAN WOOLEN COMPANY—THE WOOL TRUST.

Incorporated under New Jersey laws, March 20, 1899. It has acquired and now owns the property of the following establishments: Washington Mills, Lawrence, Mass.; National and Providence Worsted Mills, Providence, R. I.; Saranac Mills, Blackstone, Mass.; Fulton Mills, Fulton, N. Y.; Fitchburg Mills, Fitchburg, Mass.; Beoli Mills, Fitchburg, Mass.; Valley Mills, Providence, R. I.; Riverside Mills, Providence, R. I.; Assabet Mills, Maynard, Mass.; Sawyer Mills, Dover, N. H.; Bay State Mills, Lowell, Mass.; Beaver Brook Mills, Lowell, Mass.; Vassalboro Mills, North Vassalboro, Me.; Puritan Mills, Plymouth, Mass.; Anderson Mills, Skowhegan, Me.; Kennebec Mills, Fairfield, Me.; Manton Mills, Manton, R. I.; Anchor Mills, Harrisville, R. I.; Chase Mills, Webster, Mass.; Brown Mills, Dover, Me.; Ray Mills, Franklin, Mass.; Weybosset Mills, Providence, R. I.; Baltic Mills, Enfield, N. H.; Moosup Mills, Moosup, Conn.; Lebanon Mills, Lebanon, N. H.; Prospect Mills, Lawrence, Mass.; Globe Mills, Lawrence, Mass.

Capital stock authorized, \$25,000,000; 7 per cent cumulative preferred, and \$40,000,000 common stock. Par value, \$100. Outstanding, \$20,000,000 preferred and \$29,501,000 common. Par value, \$100. Dividends are regularly paid on the preferred stock. Number of plants absorbed, 27; proportion of industry controlled, about 60 per cent; products: Woollens, worsteds, etc., all kinds. Element of monopoly: Strong (large tariff benefits). Total capital issued, \$49,501,000; market value, \$17,000,000.

Mr. President, I have been admonished in the last twenty-four hours that this trust is very active. We have in Wisconsin a few woolen mills. They are not manufacturing worsteds; they are not the people who get the cream of these tariff benefits, but they have been appealed to to wire me to support the existing rates of Schedule K. A curious thing about it is that I was not taken wholly unawares; I was warned of what was coming.

June 5 I received a letter which I must lay before the Senate without giving the name of the author, and I suppose it will be denounced as an anonymous communication. But the Senator from Massachusetts [Mr. LODGE] quoted in his speech certain communications in support of his arguments from which the signatures were withheld. Since we began the consideration of these schedules I have gone very carefully through the hearings before the Ways and Means Committee, and I find with respect to the cost of production many unsigned statements, which instead of being identified with the name of the persons offering the facts are designated by number. For instance, the National Association of Manufacturers through William Whitman filed a long statement with that committee purporting to give among other things certain information regarding the manufacture of woolen blankets, instead of giving the names of the manufacturers, the statements are headed "Statement of blanket manufacturer No. 1;" "Statement of blanket manufacturer No. 2;" and so on, all submitted anonymously to the Ways and Means Committee.

The Finance Committee sought to discredit the document furnished by the German Government on request of the Secretary of State, giving information respecting wages and cost of production in Germany, because the names of the manufacturers who signed the statements were not—for trade reasons—to be given out for publication, although open for official inspection and verification at the State Department.

INSPIRED TELEGRAMS FAVORING PRESENT DUTIES.

However, the precedent established by the Senator from Massachusetts [Mr. LODGE] and by the Ways and Means Committee of the House of Representatives, warrants me in submitting without his name, this letter written me by a dealer in woollens in a Western State, warning me that I would receive certain telegrams. I read from his letter as follows:

DEAR SIR: You will some time next week receive 25 to 50 telegrams from Wisconsin saying something to this effect—

Now he quotes—

"Earnestly request your support Schedule K, duties on wastes, yarn, cloths, dress goods, as reported by Finance Committee, as important to woolgrowers as duty on raw wool."

You know we have nearly a million sheep in Wisconsin, and I am borne down upon as suggested by this letter in the name of the woolgrowers to support Schedule K. The letter continues:

The other man who is being the subject of attack is Senator BEVERIDGE, who, at a given signal, will receive a large line of letters, also telegrams, from his State, emanating from the same source. You may use this information in any manner that you desire, but it must not be

known that it emanates from me. As there is only one person outside of myself familiar with this subject at this time, * * *

I have no desire to enter into any argument on the subject, and I also realize the futility of it, as the tariff measure will be passed, notwithstanding what all the friends of revision may desire. I merely thought I would apprise you of whence emanates the great clamor to protect wool, if you get the wires.

Now he adds the following:

You will not get many wires. The \$50 which were sent to be distributed in dollar bills to pay for 50 telegrams were kept by the party who was to disburse them.

[Laughter.]

And it is not likely that many of the manufacturers will spend anything on telegrams.

As a matter of fact I did not get 50. I have four here and two in my committee room. All read just alike, and all read just as the writer of this letter said they would read. His letter was dated the 5th, and these telegrams are dated the 8th. I will read one of them.

Mr. GORE. Read them all.

Mr. LA FOLLETTE. I will read enough to show their similarity. I will not read the names of the men or the companies that signed them, because I think they have been misled into signing and sending them, and I do not want to subject them to embarrassment.

I remember when the Aldrich currency bill was pending before the Senate—a bill that was passed in the interest of the great group banks engaged in speculative finance—it was possible for them to enlist the small commercial bankers of the country to wire Senators to oppose amendments framed in the interest of the commercial banks. So I know the power of this system as it reaches out over these United States. It is all one great system. Behind all legislation of this character is one great power.

ALL READ ALIKE, SHOWING THE SAME ORIGIN.

I read you what is written in this telegram. Keep in mind what I have read from the letter. The telegram is addressed to me and is dated from a city in Wisconsin:

June 8, 1909. Earnestly request your support Schedule K, duty on wastes, yarns, cloths, dress goods, as reported by Finance Committee as important to wool growers as duty on raw wool.

I will read another one. It is dated the same day, June 8, from another city in Wisconsin.

Earnestly request your support Schedule K, duty on wastes, yarns, cloths, dress goods, as reported by Finance Committee as important to wool growers as duty on raw wool.

[Laughter.]

I will read you another one from still another town in Wisconsin.

Earnestly request your support Schedule K, duty on wastes, yarns, cloths, dress goods, as reported by Finance Committee as important to wool growers as duty on raw material.

All read alike. I have two more in my committee room.

I received another telegram from a gentleman who evidently knew that these messages were to be sent me and knew who inspired them. He wired me as follows:

Telegrams you are receiving to-day undoubtedly originate from big woolen interests. I request you keep on working for the people.

It is signed "T. H. Cochrane, Portage, Wis."

Mr. WARREN. Will the Senator from Wisconsin permit a question?

Mr. LA FOLLETTE. Certainly.

Mr. WARREN. Do the signers of the other telegrams which the Senator has read ask him to withhold their names?

Mr. LA FOLLETTE. No; they do not, but I withhold them because I think they have been fooled, just as I am inclined to think the Senator from Wyoming has been fooled. [Laughter.]

Mr. WARREN. The Senator from Wisconsin is probably a judge of the fooling business. I simply asked the question, in respectful manner, whether it was—

Mr. LA FOLLETTE. I gave you my reason. I stated to the Senate my reasons for withholding the names.

Mr. WARREN. I simply asked whether the senders of the telegrams requested that their names be withheld.

RESULTS GOOD—MORE PROGRESSIVES IN THE SENATE.

Mr. LA FOLLETTE. I stated that I withheld them just as I withheld the names of bankers in Wisconsin who wired me and wrote me with respect to the currency bill, which the Senator from Georgia immediately after it had been passed very properly denounced as an infamy.

Mr. WARREN. May I ask another question? Is it not possible that the signers of the telegrams would prefer to have the signatures follow the body of the telegrams?

Mr. LA FOLLETTE. I have so much doubt about it that I withhold them.

Mr. WARREN. Certainly.

Mr. LA FOLLETTE. And I will be the judge of that, with the permission of the Senator from Wyoming.

Mr. WARREN. The Senator feels that the men who sent him the telegrams do not know their business, and he withholds their names?

Mr. LA FOLLETTE. I know enough about methods of the system to warrant the belief that there are many people who do not know how they are being preyed upon by the special interests of this country.

Mr. WARREN. And the Senator is—

Mr. LA FOLLETTE. And I am inclined to think—I want to believe it if I can—that there are men on this floor who do not know.

Mr. WARREN. Do not know what?

Mr. LA FOLLETTE. Who do not know the interests they are really serving.

Mr. WARREN. I hope the Senator will tell us.

Mr. GALLINGER. Who are they?

Mr. WARREN. Who are they?

Mr. LA FOLLETTE. I have spent two or three years in an effort to make that very plain.

Mr. WARREN. What are the net results?

Mr. LA FOLLETTE. If you want me to be more explicit, I will be.

Mr. WARREN. I should like to know what the net results of his efforts have been.

Mr. LA FOLLETTE. They have been pretty good.

Mr. WARREN. Good.

Mr. LA FOLLETTE. When I came here I stood alone in this Chamber. Now there are nearly a dozen men who stand with me. The results have been pretty good.

Mr. WARREN. Good.

Mr. LA FOLLETTE. And they will be better, let me say to the Senator from Wyoming. The lines of those who wittingly or unwittingly serve great interests will be further broken, not only in the Middle West and the Far West, where great progress has been made, but in the East as well. I think I know what I am talking about.

Mr. BACON. Without requesting any yielding on the part of the Senator from Wisconsin, I desire to make the point of order that there is no quorum present.

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

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

Aldrich	Clay	Gore	Paynter
Bacon	Crane	Guggenheim	Penrose
Beveridge	Crawford	Heyburn	Perkins
Borah	Cullom	Hughes	Piles
Bradley	Cummins	Johnson, N. Dak.	Rayner
Brandeggee	Curtis	Johnston, Ala.	Root
Briggs	Davis	Jones	Scott
Bristow	Dick	Kean	Smith, Md.
Brown	Dillingham	La Follette	Smoot
Bulkeley	Dixon	Lodge	Stephenson
Burkett	Dolliver	McCumber	Stone
Burnham	du Pont	McEnery	Sutherland
Burrows	Flint	McLaurin	Taylor
Carter	Foster	Martin	Warner
Chamberlain	Frazier	Nelson	Warren
Chapp	Frye	Newlands	
Clarke, Wyo.	Gallinger	Overman	
Clarke, Ark.	Gamble	Page	

The PRESIDENT pro tempore. Sixty-eight Senators have responded to their names. There is a quorum of the Senate present.

MANUFACTURERS HAVE ADVANTAGE OVER WOOL PRODUCERS.

Mr. LA FOLLETTE. I wish to discuss this schedule on its merits. It gives manufacturers an advantage over wool producers. The first evidence of that fact which I bring to the attention of the Senate is found upon page 51 of the Book of Estimates, two sheets of which I hold in my hand. The producer of wool in this country gets from 42 to 45 per cent ad valorem tariff benefit under the law. I will put it at the highest rate—45 per cent—for the comparison I shall make, which is to contrast the supposed benefit that goes to the farmer or producer of the wool with the so-called compensatory duty, conferred upon the manufacturer because there is a tariff upon the wool used in his business. Anybody can make this computation for himself, as I have made it.

On page 51 of the Book of Estimates, beginning with paragraph 372, it will be found that the tariff benefit given to the manufacturer on the first item in that paragraph amounts to 149 per cent ad valorem. Of that, 50 per cent is supposed to be his protective duty, to protect him on his manufacturing cost, and the balance is given to him because there is a duty on wool which increases the price of his raw material. Take the duty on raw wool from the duty that the manufacturer receives, and you find that upon the first subdivision in paragraph 372, the farmer or the producer of wool gets a tariff of 45 per cent upon the wool for which the manufacturer receives as a compensatory tariff 99 per cent.

I will not detain the Senate to read the descriptions of the cloths to which the different rates are applied, but I will follow down rapidly through the column, simply giving the figures, and anybody who chooses to follow me will have an opportunity to correct me if I am wrong.

Mr. SMOOT. Mr. President—

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

Mr. LA FOLLETTE. Certainly.

Mr. SMOOT. Would it not be fair to the Senate for the Senator from Wisconsin to call the attention of the Senate to the fact that the average value of the cloth that he is speaking of now is 33.3 cents a pound, and that is why the ad valorem duty is 149 per cent? He must know it is not all wool, because wool itself, if it were all wool, is worth from 70 to 80 cents a pound.

Mr. LA FOLLETTE. I understand it perfectly well, and I understand the pretty little trick that is woven into the averages in every line of this tariff bill. I have been studying it, and while we have been driven under whip and spur in the consideration of this bill, and have been given short hours in which to work outside of this Chamber upon these schedules, I have done the best I could and have come, I think, to a pretty fair understanding of the entire scheme.

Mr. SMOOT. The only thing I have in view—

Mr. LA FOLLETTE. I understand the object of the Senator.

Mr. SMOOT. Is to get before the Senate the facts in the case.

Mr. LA FOLLETTE. That is my only purpose.

Mr. SMOOT. And the Senator must know that the scoured wool, to make the cloth specified here, is worth to-day about 70 cents a pound. So if the value here is only 33 cents the fabric must be mixed with the lowest kind of waste to bring it in here. Therefore that brings the ad valorem duty way up.

Mr. LA FOLLETTE. The value is expressed, in the line to which I was calling attention, at 33 cents per pound.

HIGH DUTIES ENJOYED BY MANUFACTURERS.

Passing down the column, I give the compensatory duty which the manufacturer gets, additional to his protective duty, as compared with the 45 per cent ad valorem duty which the woolgrower gets. On the third item he gets 103 per cent; on the next description of goods 47½ per cent; on the next description of goods 91 per cent; on the next description of goods 69 per cent; on the next description 45.67 per cent; on the next 91.78 per cent; on the next 64.34 per cent; on the next 45.33 per cent; on the next 90.55 per cent; on the next 78.11; on the next 37; on the next 22 per cent; on the next 84 per cent—I will not read the fractions—on the next 68 per cent; on the next 39 per cent; on the next 77 per cent; on the next 71 per cent; on the next 31 per cent; on the next 115 per cent; on the next 70 per cent; on the next 39 per cent; on the next 113 per cent; on the next 66 per cent; on the next 55 per cent; on the next 33 per cent; on the next 75 per cent; on the next 51 per cent; on the next 55 per cent; on the next 51 per cent; on the next 46 per cent; on the next 69 per cent; on the next 65 per cent; on the next 67 per cent; on the next 54 per cent; on the next 48 per cent; on the next 68 per cent; on the next 45 per cent; on the next 35 per cent.

MANUFACTURERS ABSORB BENEFITS INTENDED FOR FARMERS.

Mr. President, statistics of sheep raising and wool production prove that the manufacturer has absorbed the lion's share of the benefits supposedly granted in this schedule to the farmer engaged in sheep husbandry.

The first statistics of wool production that I have been able to discover are for the year 1884. I started with 1885, and in order to be as fair as I could I have taken five-year periods from that time to this. In 1885 we produced in this country 308,000,000 pounds of wool. Let us see how this production of wool has been stimulated by that alliance, which was supposed to be even handed between the woolgrower and the wool manufacturer when the weaver married the shepherd, as immortalized by my friend from Iowa [Senator DOLLIVER]. In 1885 we were producing 308,000,000 pounds; in 1890, 276,000,000 pounds; in 1895, 309,000,000 pounds of wool in this country was the production; in 1900, 288,000,000 pounds; in 1905, 295,000,000 pounds; in 1907, 298,000,000 pounds; and in 1908, as estimated by the wool manufacturers, 311,000,000 pounds.

Mr. WARREN. Has the Senator the figures for 1897 there?

Mr. LA FOLLETTE. I started with 1885, the first year after the statistics were preserved by the Agricultural Department, and I have come down at five-year periods since that time. Any Senator can go to the Statistical Abstract for himself and get all the years.

Mr. WARREN. Will the Senator allow me there?

Mr. LA FOLLETTE. Surely.

Mr. WARREN. Of course the Senator knows that starting at 1884 we started at the maximum growth of wool, because it

had grown up under the law of 1867, which was more favorable than the legislation before it.

Mr. LA FOLLETTE. I started with 1885 so as to use the figures for the census years. I could not start earlier than 1884, because I could not find any statistics back of that time. That was the first year, as I was informed at the Agricultural Department, that that department began to preserve the statistics with respect to the number of sheep in this country.

Mr. WARREN. I will not interrupt the Senator if he does not wish me to do so.

Mr. LA FOLLETTE. That is all right.

Mr. WARREN. I think it is very fair to state that there was a steady growth, and when I say a steady growth, taking any group of years all the way, from the favorable legislation of 1867 up to the effect of the unfavorable legislation which occurred in 1883, but which was not applicable until 1884, and which could not actually cut down the fleeces growing on the sheep. Now, starting from the point the Senator has there, it went up and down until 1897, when there was a tremendous gap, a tremendous loss in sheep and wool, caused, in my judgment, and I think the Senator will agree with me, by unfavorable legislation affecting the woolgrower and manufacturer alike, especially the act of 1894.

Now, then, I want to say in this connection that in 1883 the duties upon the wool itself, which were practically those of the years prior to the cutting down of the manufactures, lessened the amount of wool that was purchased at home, and we have no other good market except at home; we can not export. Hence the effect of the reflex in putting out of business the manufacturers of wool and allowing cloths from another country to come in of course cut down the growth of wool, because we had not the market for it.

Mr. LA FOLLETTE. I will say to the Senator—

Mr. McLAURIN. Mr. President—

USES FIGURES OF THE DEPARTMENT OF AGRICULTURE.

Mr. LA FOLLETTE. I will yield in just a moment. I will say to the Senator from Wyoming I do not know where he gets his statistics with respect to the number of sheep in this country for the years previous to 1884. The Agricultural Department informed me that prior to that time there were no statistics of the number of sheep or of the wool production of this country. It may be that some benevolent manufacturers are able to furnish statistics covering the number of sheep and wool production back to 1860 which would be useful in this discussion from some points of view. In so far as I will give facts and figures to the Senate, they will be based upon authorities which ought not to be questioned here.

Mr. WARREN. Mr. President—

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

Mr. LA FOLLETTE. I do.

Mr. WARREN. May I say to the Senator that the statistics published under the law of the United States furnish the figures the Senator wishes? For instance, I have in my hand a sheet which starts with the production of wool in 1840 and gives every year. It gives the wool grown here; it gives the exports and the imports.

Mr. LA FOLLETTE. I have no doubt the Senator can get—

Mr. WARREN. I have asked to have it included in the speech I made to-day. As to sheep from 1840, when we commenced enumerating sheep, we started in 1840—if the Senator wishes to have the number stated—with something over 19,000,000 sheep.

Mr. LA FOLLETTE. Are those reports furnished by the Agricultural Department?

Mr. WARREN. What you can not get in the Agricultural Department you can get in the Census Office. You can also get some of the figures from the Treasury Department.

Mr. LA FOLLETTE. I applied to the Agricultural Department, as I believed that department to be the proper place to get full statistics upon this subject. I inquired there and was informed that I could not get reliable data as to the number of sheep in this country for the years previous to 1884.

Mr. ROOT. Will the Senator allow me?

Mr. LA FOLLETTE. Certainly.

Mr. ROOT. I merely wish to say to the Senator from Wisconsin that he will find on page 589 of the Statistical Abstract for 1905 the wool production from 1840 down.

Mr. LA FOLLETTE. I understand. The wool production, I think, will be found—

Mr. ROOT. The number of sheep is not given before 1885.

Mr. LA FOLLETTE. Yes; I was talking at this time about the number of sheep.

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

Mr. LA FOLLETTE. I do.

Mr. McLAURIN. It is the wool production that I was going to give. I thought that is what was called for by the Senator from Wyoming. I have the wool production of the United States from 1894 to 1907, inclusive, and if the Senator will allow me, as it will take but a minute, I will read it.

Mr. LA FOLLETTE. I am very glad to hear the Senator.

Mr. McLAURIN. The table is as follows:

The production of wool in the United States for years 1894-1908.

	Pounds. ^a
1894	325, 210, 712
1895	294, 296, 726
1896	272, 474, 708
1897	259, 153, 251
1898	266, 720, 684
1899	272, 191, 330
1900	310, 953, 140
1901	302, 502, 328
1902	316, 346, 032
1903	287, 450, 000
1904	291, 783, 032
1905	295, 488, 438
1906	298, 915, 130
1907	298, 294, 750
1908	311, 138, 321

Mr. WARREN. Will the Senator go on and read the next item or two?

Mr. LA FOLLETTE. Just a moment. Let me say to both Senators—

Mr. WARREN. I simply want to complete the statement.

Mr. LA FOLLETTE. Let me say to both Senators that I do not think that affects the argument I am making, which is that the number of sheep has not very materially increased from 1885, or that the production of wool has not very materially increased from 1885 down to the present time.

Mr. WARREN. Will the Senator allow me?

Mr. LA FOLLETTE. I will.

Mr. WARREN. The Senator is right. There was a large number of sheep in 1884-85, but if the Senator will look back—

Mr. LA FOLLETTE. I am speaking of the production of wool and—

TAKES FIGURES FOR REPRESENTATIVE YEARS.

Mr. WARREN. The Senator spoke of this, too. I am speaking of the sheep. He will find that in 1896 the number of sheep had decreased below 37,000,000; it had gone down from nearly 54,000,000 to something like 36,000,000.

Mr. LA FOLLETTE. All these figures, I suppose, are accessible to every Senator.

Mr. WARREN. Most of them.

Mr. LA FOLLETTE. I have taken, as I said, these years because I believed they would be fairly representative—the census period and the intermediate period. I will say that I was informed by the Agricultural Department that excepting for the census period it is always an estimated number. I think all these statistics that are quoted here for intermediate periods have been furnished by the woolen manufacturers; at least, the Agricultural Department informed me that they depended upon the manufacturers for their figures for this year.

Mr. WARREN. I have in my hand a sheet taken—

Mr. LA FOLLETTE. I know you will find those figures reprinted in government reports, but I, nevertheless, say that unless they were taken in census periods, as I am informed, they have been gathered from private sources and were not procured by the Government through its agencies for the collection of statistics.

Mr. WARREN. Does the Senator think the figures here published by the Government are erroneous?

Mr. LA FOLLETTE. I state the fact, and every Senator can make his own deduction. I say I am informed by the Agricultural Department that for the census period they are based upon the census, and that for the intermediate period for which I have given them, and for which I shall continue to give them, they are based upon estimates and are so given to me by the Agricultural Department.

Mr. WARREN. Has the Senator inquired at the Department of Commerce and Labor, which has these things in charge?

Mr. LA FOLLETTE. I went to the Department of Agriculture, Mr. President, which has a statistical bureau, because I thought it was pretty good authority on sheep.

Mr. WARREN. The Senator should have gone, I think, to the Department of Commerce and Labor, which has all the matters of census figures, whether they occurred in ten-year periods or otherwise.

Mr. CARTER. Mr. President—

Mr. LA FOLLETTE. I do not apprehend that the Department of Commerce and Labor has any more accurate informa-

tion upon the number of animals in this country than has the Department of Agriculture, but I do not propose to spend any more time on that subject now, or to submit to further interruptions upon that branch of what I have to say, because, Mr. President, every Senator has the same source of information that I have, and no one will be misled by my statements. I have taken what I assume to be a pretty fair basis upon which to build in respect to the increase in the production.

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

Mr. LA FOLLETTE. I yield for a question, but I do not care to have the argument that I want to make interrupted by dissertations upon this subject any further.

Mr. CARTER. I will ask the Senator if he will not modify his statement with reference to the figures being based solely upon estimates as to the number of sheep, in the light of the fact that the Census Office determines the number of sheep outside of the regular census year from the assessment rolls in the various States? These assessment rolls, as a rule, show a less number of sheep than really exist, because it happens frequently that the sheep are not always at home the day the assessor calls.

Mr. LA FOLLETTE. All that relates, Mr. President, I suppose, only to the last decennial census, and does not relate to any previous time.

Mr. CARTER. The conditions to which I have referred obtained prior to the last decennial census. The assessment rolls of the respective counties in the States were taken as to the number of sheep, and they were taken by the Government as a correct return of the number of sheep in each county. I think that is only an approximation, but still it is based upon definite figures.

Mr. LA FOLLETTE. Mr. President, the figures which I have given from the Agricultural Department for the ten-year period are the census figures, and for the intermediate periods they are estimates, as I am informed by the Department of Agriculture. I will now proceed with my argument.

In 1885 we produced 308,000,000 pounds of wool in this country; in 1890 we produced 276,000,000 pounds; in 1895 we produced 309,000,000 pounds; in 1900 we produced 288,000,000 pounds; in 1905 we produced 295,000,000 pounds; in 1907 we produced 298,000,000 pounds; and according to the estimates of the Agricultural Department, based upon statements made by the Woolen Manufacturers' National Association, they think there were 311,000,000 for 1908.

The number of sheep in this country I get from the same source, as follows:

Total number of sheep.

Year.	Number.	Value.
1885	50,360,243	\$107,960,650
1890	44,336,072	100,659,761
1895	42,294,064	66,685,767
1900	41,883,065	122,665,913
1905	45,170,423	127,331,850
1907	53,240,282	204,210,129
1908	54,631,000	211,736,000

For the year 1908 it is an estimate.

Mr. WARREN. I do not wish to disturb the Senator except, if he will permit me, I want to say that during that time, as the Senator knows, occurred both of the changes of the tariff that were disastrous to the growth of sheep.

Mr. LA FOLLETTE. Mr. President, let me say to the Senator from Wyoming that I know what changes were made in the tariff, and that I suppose every other Senator knows of the tariff changes during that period and will be able to interpret these figures in that light.

Now, Mr. President, let me give the wool consumption for the same period.

Mr. WARREN. Will the Senator be good enough to put in there the number of sheep in 1897?

Mr. LA FOLLETTE. No; I am giving the figures for five-year periods.

Mr. WARREN. Would the Senator allow me to put it in?

Mr. LA FOLLETTE. The Senator can put into the CONGRESSIONAL RECORD all the statistics that he thinks ought to go in.

Mr. WARREN. Does he think it would injure his speech?

Mr. LA FOLLETTE. No; not if they show average production.

Mr. WARREN. I think it might.

Mr. LA FOLLETTE. I left out exceptional years, because I did not think it a fair way in which to submit statistics. I thought it would be fair either to give every year or to take five-year periods. If the Senator wants to select exceptional years and incorporate those in his own remarks I have not the slight-

^a Estimated statistics prepared by the National Association of Wool Manufacturers, also published in Yearbook of the United States Department of Agriculture.

est objection to his doing so; but I do not propose to have them run into mine, because if he does that then I should feel compelled to give the production for every year. I do not care to incorporate in what I propose to print anything excepting what seems to me to be a fair and necessary statement of statistics on this subject.

Mr. WARREN. I beg the Senator's pardon—

The PRESIDENT pro tempore. The Senator from Wisconsin declines to yield.

Mr. WARREN. But the official figures—

Mr. LA FOLLETTE. Of course the Senator will not state that in my time, and he should not seek to do so. If I had been fishing about, Mr. President, for exceptional years, it would be another matter. It is hardly becoming for Senators to interrupt me to inject years of exceptional production, which might make a favorable showing for their side of the argument. I have taken even five-year periods which fairly represent the average growth of this industry.

Now, Mr. President, for the same years I want to give the wool consumption of this country, and this includes not simply clothing wool but carpets as well, and all woolen manufactures. The total consumption of wool per pound per capita in this country for these corresponding years was as follows:

Wool consumption per capita.

	Pounds.
1885	6.69
1890	6.03
1895	7.39
1900	5.72
1905	6.52
1907	5.81
1908	

Clothing, carpets, and all woolen manufactures.

Mr. President, I think that shows the effect of this tariff as it is framed in Schedule K upon the wool producers of the country as compared with the manufacturers.

DEMONSTRATION OF INEQUALITY OF THE RATES.

And next I want to bring to the attention of the Senate the inequalities of the rates imposed in Schedule K. They become very apparent when we glance at the equivalent ad valorem duties based upon the imports of 1907.

Wool valued at 21.1 cents per pound will pay a duty of 47.46 per cent ad valorem, while that valued at 24.7 per pound will pay only 44.52 per cent.

Wool advanced in any manner by any process of manufacture not specially provided for, valued at not more than 40 cents per pound under the present schedule will pay 149 per cent ad valorem, while that valued at over 70 cents per pound will pay only 93.7 per cent.

The figures that I am giving now demonstrate not only the discriminations in this schedule against the wool producer, but the rank injustice with which these duties fall upon the users of the cheaper grades of woolen cloth.

This whole system as it has grown up not only seems to be sectionalized, but to be for the benefit of a very few manufacturers and a very limited class of consumers.

Yarns valued at not more than 30 cents per pound will pay 143.02 per cent ad valorem, while yarns valued at more than 30 cents per pound will pay only 87.25 per cent ad valorem. Any fabric other than wearing apparel, if valued at not more than 40 cents per pound, will pay 141 per cent ad valorem, while such fabrics classed by the Finance Committee as "luxuries," if you will study their schedules in the Book of Estimated Revenues, if valued at more than 70 cents per pound, will pay only 95 per cent ad valorem.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER (Mr. CARTER in the chair). Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LA FOLLETTE. I do.

Mr. SMOOT. The Senator speaks of yarn worth only 30 cents a pound. The Senator must know, as every other Senator, that if a yarn is made that is not worth over 30 cents a pound nearly the whole of it is waste. There must be at least 85 per cent of waste in that yarn, made from shoddy of the very lowest class, because a great deal of shoddy is worth more than 30 cents a pound. So if the yarn is worth not over 30 cents a pound after it has been carded and spun, what on earth must the stock be that is in the yarn?

Mr. DOLLIVER. Mr. President—

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

Mr. LA FOLLETTE. I do.

Mr. DOLLIVER. It was because I had detected that situation and was able to perceive that these yarns which contain other materials besides wool, because many of them contain

material cheaper than any ordinary wool wastes, when we come to assess the compensatory duty upon them should not be assessed upon the theory that they contain first-class clothing wools or other wools, but should be assessed, as my amendment provides, upon the wool content that is in them.

Mr. SMOOT. Mr. President, the Senator also knows that it would be impossible for him or any living man to tell what the wool content is; whether it is straight wool, or whether it is slubbing waste, or whether it is noils, or whether it is rags, providing they are all wool. Therefore it would be absolutely impossible of administration, as I have said to the Senator before. The position that we take upon this point is that if the yarns are so poor and made of such coarse stock as not to be worth more than 30 cents a pound they ought to be kept out of the country.

Mr. DOLLIVER. Mr. President, in 1897, when Senator Vest, one of the ablest Members of the Senate, certainly in our time, pointed out the impropriety of assessing these compensatory duties upon the weight of the cloth or of the yarn, without regard to the fact that they might not contain wool, but other substances, as they very often and in most cases actually do, the only answer that was made to him was made by my former colleague, Senator Allison, that there was no way of determining the contents of a yard of cloth, and with one sentence it was dismissed. That was true at that time.

Mr. SMOOT. It is true to-day.

Mr. DOLLIVER. We have made an expenditure of \$100,000 in the port of New York to provide an analytical bureau in connection with the appraisers' stores, which makes that no longer true, and it is now perfectly possible by accurate scientific means to report at the custom-house the wool contents of yarn or of cloth.

Mr. SMOOT. Mr. President, I say the statement made by Senator Allison in this Chamber when this question was under discussion before is absolutely true. There is no way of separating wool waste from wool yarns or straight wool, and if it is mixed together it is impossible to tell how much waste or how much wool is in the yarn.

Mr. DOLLIVER. The amendment which I have submitted does not require this separation of the various kinds of wool or of wool fiber, but it does undertake to separate in these yarns and cloths vegetable fibers cheaper than any variety of wool wastes, if we may judge by the way wool wastes are assessed in this bill.

Mr. SMOOT. But the trouble with that, Mr. President, is that there is no vegetable fiber in these cheap yarns, unless it be cotton—and that can be detected by a chemical analysis—but a foreign country never will ship that kind of yarn in, because they can buy this mungo stuff, this wool waste, chopped up from rags, cheaper than they can buy cotton, and they put that in and call it all wool.

Mr. DOLLIVER. Does the Senator from Utah pretend to deny that a very great variety of these worsted cloths, especially ladies' dress goods, are composed from one-half to often a larger amount of cotton? And does he deny that the yarns, out of which these cloths are woven, are actually imported into the United States—with the mixture of cotton and wool made in the yarns—and that the mixture is sent in here to be assessed under our tariff laws?

Mr. SMOOT. Mr. President, the Senator from Utah certainly would not deny that a great many of these goods may come in here with cotton warps. There is no question about that at all.

Mr. DOLLIVER. Do not the yarns come in with these mixtures of cotton and wool in the yarns themselves?

Mr. SMOOT. The very finest yarns do come; 30 cents a pound yarns, which the Senator from Wisconsin is speaking of now. He is talking about yarn of a value of less than 30 cents a pound. That is where his whole figures are based upon something which looks plausible upon its face, but it is absolutely wrong. It can not be, and it will never be, a proposition that we could legislate against. The Senator knows, and every other Senator knows, that the scoured wools, as to which we are legislating, in many instances in these fine yarns are worth 80 cents a pound to-day upon the market. After the wool has been carded and spun and the waste in that process, what makes it drop to 30 cents a pound? Nothing on earth, except this low-class waste which is put into it.

HIGH DUTIES FORCE POORER PEOPLE TO USE SHODDY.

Mr. LA FOLLETTE. In other words, Mr. President, the scheme is to bar out the yarn that would furnish warm, substantial clothing to the poorer people, to put equally high duties upon everything that enters into the composition of such yarns, which are carefully cornered by this worsted trust, so that the

trust can impose whatever price it pleases upon the shoddy and everything else that goes into the manufacture of the cheaper yarns and clothing used by the great mass of the people.

Mr. SMOOT. Mr. President, I want to tell the Senator from Wisconsin that the dearest yarn that ever was bought by an American citizen is a yarn that can be made for less than 30 cents a pound. Because it will not hold together. The man who buys it or the family who buy it are cheated. It would have been cheaper for them to have paid 60 cents or 70 cents or 80 cents a pound for the yarn.

Mr. LA FOLLETTE. Possibly it would if they could afford to buy 60 or 70 or 80 cent yarn, but under these high rates the poorer people are forced to use shoddy. The fact is that this low-priced material made by the woolen trust in this country contains poorer shoddy and poorer waste than the low-priced foreign product, and these high rates enables the trust not only to charge higher prices for its goods, but also enable it to lower the quality of the material used.

Mr. SMOOT. Mr. President, I want to call the attention of the Senator to the fact that there were but 3 pounds of that yarn imported here in the last year.

Mr. LA FOLLETTE. Of course, Mr. President, it could not get in for the very reason that the rate which the Senator from Utah and his associates on the Finance Committee are sustaining imposes a duty of 143 per cent on it. Small wonder that little was imported.

Mr. SMOOT. But, Mr. President, I would say to the Senator from Wisconsin that so far as that yarn is concerned at 30 cents, if I could only have a sample here and show its character, I do not believe the Senator himself would even want it to come into this country.

Mr. LA FOLLETTE. Is the Senator from Utah to be the judge of what the people of this country ought to buy? Give them a fair chance in the markets to buy at reasonable prices and do not impose a 143 per cent duty upon the cheap grade and only about one-half that rate upon the grade purchased by the rich.

Mr. WARREN. Mr. President—

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

Mr. LA FOLLETTE. I do.

Mr. WARREN. If I understand the Senator from Wisconsin correctly, his objection is that there is a tariff charged upon something which is not all wool, and that it is charged as if it were all wool?

HIGH DUTY ON LOW AND LOWER DUTY ON HIGH PRICED YARN.

Mr. LA FOLLETTE. My objection is that upon yarns valued at not more than 30 cents per pound this bill proposes that the people of this country shall pay 143 per cent ad valorem, while on yarns valued at more than 30 cents a pound they will pay only 87 per cent. If you can offer any justification for those two different grades of duty on yarns differing only by the fraction of a cent in value, do it.

Mr. WARREN and Mr. SMOOT addressed the Chair.

Mr. LA FOLLETTE. I yield to the Senator from Wyoming, who arose first.

Mr. WARREN. I may have misunderstood the Senator. I want to say that perhaps we are all wrong, but I submit to the Senator that this is not a new matter which has been brought up here.

Mr. LA FOLLETTE. I understand that.

Mr. WARREN. The first law which imposed—

Mr. LA FOLLETTE. I do not care to suspend my argument for a review of the history of tariff legislation. I am familiar with that history. I am discussing the rates proposed in this bill, and I ask the Senator from Wyoming if he has any good excuse to offer for fixing a 143 per cent duty on a wool yarn which is worth less than 30 cents a pound and an 87 per cent duty on yarn worth a fraction over 30 cents a pound?

Mr. WARREN. I rose only to answer the Senator's question. If the Senator does not care to have me answer, of course I will yield the floor.

Mr. LA FOLLETTE. I yield to the Senator to answer the question.

Mr. SMOOT. Mr. President—

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

Mr. SMOOT. Let me call the Senator's attention—

Mr. LA FOLLETTE. I yield to the Senator from Utah to answer that question, if he thinks he can do it.

Mr. SMOOT. I wish to do so, if the Senator desires that I shall; but I do not unless the Senator does so desire.

Mr. LA FOLLETTE. I should be glad to have the Senator from Utah answer.

Mr. SMOOT. Mr. President, supposing the wool is 11 cents—and that is the low-value stock that would go into—

Mr. LA FOLLETTE. No, no. Supposing this yarn is worth less than 30 cents? That is the question.

Mr. SMOOT. I am coming to the ad valorem—

Mr. LA FOLLETTE. Supposing this yarn is worth less than 30 cents per pound, the question is: Why do you insist upon continuing a duty of 143 per cent upon it while if it is worth a fraction over 30 cents per pound your duty will be only 87 per cent?

Mr. SMOOT. Mr. President, the stock that goes into the yarn—and that is where we have got to begin—is not worth more than 11 cents, and if it is valued at 11 cents a duty of 11 cents is 100 per cent.

Mr. LA FOLLETTE. But this yarn—

Mr. SMOOT. Wait.

Mr. LA FOLLETTE. Let me say to the Senator from Utah—

Mr. SMOOT. Let me get through—

Mr. LA FOLLETTE. This yarn is worth less than 30 cents per pound; not more than 30 cents per pound—

Mr. SMOOT. Mr. President—

Mr. LA FOLLETTE. Now, you take this yarn—never mind about the analysis of it—if it is valued at 30 cents a pound or less, why do you tax it 143 per cent, and if it comes to the custom-house worth 30½ cents a pound let it in at 87 per cent? That is the question.

Mr. SMOOT. Mr. President, I was going to get to the point and answer it if the Senator had not interrupted me.

Mr. LA FOLLETTE. The Senator has the point now; give us the answer.

Mr. SMOOT. I will if the Senator will only wait. I will say that on stock that is worth 11 cents per pound a duty of 11 cents is 100 per cent ad valorem, and that is the stock that goes into this cheap yarn—

Mr. LA FOLLETTE. I do not care for a part of the value of this yarn. The yarn itself is worth less than 30 cents a pound. Now, do not get away from that.

Mr. SMOOT. And the stock comes in—

Mr. LA FOLLETTE. Never mind how it is made up; it is worth less than 30 cents a pound, you tax it 143 per cent at the custom-house.

Mr. SMOOT. Mr. President—

Mr. LA FOLLETTE. But if it is worth 30½ cents per pound or more, you let it in at 87 per cent. Why do you do it?

Mr. SMOOT. Evidently the Senator does not want the answer, and therefore I will not try to give it to him.

Mr. LA FOLLETTE. I want an answer, but I do not want a pipe dream.

Mr. SMOOT. Mr. President, I have not tried to give any pipe dreams. It is just as simple to a man who understands it as it is possible for a proposition to be; but evidently no answer that I can give the Senator will be satisfactory to him, nor will he even let me conclude, and therefore I will yield to the Senator. He will not even listen.

Mr. LA FOLLETTE. It is simple to a man if he understands it; if he can only explain it.

Mr. SMOOT. If the Senator would allow me to explain it, I would do so.

DISCRIMINATORY DUTIES ON ALL WOOLEN ARTICLES.

Mr. LA FOLLETTE. Then I will proceed, for I assume, since the Senator can not, without delivering a lecture, make a direct answer to a very direct question, that he can not answer it at all.

Knit fabrics, other than wearing apparel, if valued at not more than 40 cents per pound, will pay 141 per cent ad valorem; while such fabrics classed by the Finance Committee as luxuries in the table of Estimated Revenues, if valued at more than 70 cents per pound, will pay only 95.67 per cent.

Plushes and other pile fabrics, if valued at not over 40 cents per pound, will pay a duty of 141.78 per cent. If valued at over 70 cents per pound, the duty will be only 95.33 per cent.

Cloths, woolen or worsted, if valued at not more than 40 cents per pound, must pay a duty of 140.55 per cent ad valorem. But if a luxury, as classed by the Finance Committee, valued at over 70 cents per pound, the duty will be only 94.32 per cent ad valorem.

Blankets, if valued at not more than 40 cents per pound, will pay a duty of 107.6 per cent, but if valued at more than 50 cents per pound, will pay only 71.30 per cent. Blankets, more than 3 yards in length, valued at more than 40 cents per pound, will pay a duty of 165.42 per cent ad valorem; but if valued at more than 70 cents per pound, will pay only 106.57 per cent.

Flannels for underwear, if valued at more than 40 cents per pound, will pay 143.67 per cent ad valorem; but if valued at over 70 cents per pound, will pay only 86.39 per cent.

Carpets valued at 82.3 cents per square yard will pay 66.72 per cent ad valorem; but a carpet valued at \$2.12 per square yard, and termed by the Finance Committee a luxury, will pay only 58.86 per cent.

In other words, Schedule K goes upon the theory that the necessities of the "average man" shall pay the highest rates, and the luxuries of the rich the lowest.

It is with a considerable degree of hesitation that I present these facts, showing the inequalities in Schedule K. I feel that it is not at all improbable that the Senator from Rhode Island will agree that these inequalities do exist and should be remedied. I fear, however, that if the Finance Committee does remedy the inequalities, it will take the same method of doing so adopted in other schedules, that is, instead of reducing the higher duties to harmonize with the lower, they will raise all of the lower duties to harmonize with the higher.

ALL DUTIES ON WOOLENS ARE TOO HIGH.

Mr. President, the real defects in this schedule arise from the fact that all the protective duties upon manufactured products are too high and that the compensatory duties are also grossly excessive. Before I take up what seems to me to be conclusive proof of that fact, I wish to read a portion of the report of the British tariff commission.

This British tariff commission, organized for the purpose of investigating the industrial life of all of the great nations of the world, published a report upon this subject as late as 1905, in which I find the following with respect to the United States:

All witnesses are agreed as to the importance and far-reaching effects of the changes in the United States policy on the woolen and worsted industry of Great Britain. In the manufacture of the lower grades of cloth the United States is rapidly approaching Great Britain.

You would not suppose there would be any necessity for a tariff of 140 or 150 per cent on these cheaper goods, when an impartial report made by experts states that in the manufacture of the lower grades of cloth the United States is rapidly approaching Great Britain.

The report continues:

It is said that they have so improved in men's goods that it is doubtful if we could now compete with them, even supposing the old scale of American duties were restored.

It is the opinion of this British tariff commission that even if we had the Walker tariff it would be doubtful whether Great Britain could compete with America upon these lower grades of goods.

In carrying out their national aims and in competition with British manufacturers the Americans have many advantages. The high rate of wages paid in the United States works both ways. On the one hand, it tends to raise their cost of production above the British, the difference in wages not being entirely compensated for by increased efficiency.

Mr. ALDRICH. Would it be agreeable to the Senator to yield for a short executive session?

Mr. LA FOLLETTE. At any time that it suits the pleasure of the Senator from Rhode Island.

Mr. ALDRICH. Just for an executive session.

Mr. LA FOLLETTE. I can not conclude before 5.30 o'clock.

Mr. ALDRICH. Then I move, Mr. President, that the Senate proceed to the consideration of executive business.

Mr. LA FOLLETTE. I yield for that purpose.

Mr. ALDRICH. I thank the Senator.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After thirteen minutes spent in executive session the doors were reopened.

The PRESIDING OFFICER. The hour of 5.30 o'clock p. m. having arrived, the Chair declares the Senate in recess until 8 o'clock, under a previous order of the Senate.

EVENING SESSION.

The Senate reassembled at 8 o'clock p. m.

THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

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

The PRESIDING OFFICER. The Secretary will call the roll.

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

Bacon	Clark, Wyo.	Frye	Overman
Beveridge	Clay	Gallinger	Page
Brandeggee	Culberson	Johnson, N. Dak.	Perkins
Bristow	Cullom	Johnston, Ala.	Root
Brown	Cummins	Jones	Scott
Burkett	Davis	Kean	Smoot
Burnham	Dick	La Follette	Stephenson
Burrows	Dillingham	Lodge	Sutherland
Burton	Dolliver	McCumber	Tallaferro
Carter	du Pont	Martin	Warner
Chamberlain	Fletcher	Money	Warren
Clapp	Flint	Nelson	

Mr. JONES. I wish to announce that my colleague [Mr. PILES] is indisposed.

Mr. OVERMAN. I desire to say that the Senator from Tennessee [Mr. FRAZIER] is quite indisposed this evening, and will not be present.

The PRESIDENT pro tempore. Forty-seven Senators have responded to their names. There is a quorum present. The question is on agreeing to the amendment offered by the Senator from Iowa.

UNITED STATES CAN COMPETE WITH ENGLAND.

Mr. LA FOLLETTE. Mr. President, when I yielded the floor for the Senator from Rhode Island [Mr. ALDRICH] to move an executive session I was presenting to the Senate a comment upon the American woolen industry by the British tariff commission, made in 1905. I was reading from that report in support of the statement that it was not necessary to maintain these excessively high duties in the woolen schedule in order to protect that industry against invasion by any foreign competitor.

It has seemed sufficient at any time in this debate, whenever a duty has been questioned, for some one representing the Finance Committee, or those seeking to sustain the very high duties of this bill, to rise and say that the duty did not represent any more than the difference in wages. The difference in wages is but a small part of the real cost of production. Many other things must be taken into account in measuring the true standard of a protective duty when that standard is gauged by the difference in cost of production.

The efficiency of labor is a matter of very great importance. The equipment of the factory, the speed with which the machinery is run, the output, and everything entering into the total cost of production. The British commission says:

The high rates of wages paid in the United States works both ways. On the one hand, it tends to raise their cost of production above the British, the difference in wages not being entirely compensated for by increased efficiency; on the other hand, it attracts to America some of the most competent artisans of this country. They do not yet export woolens and worsteds in considerable quantities, but there is a general impression among witnesses that they will soon be able to do so. America does not yet export any of her manufactures of woolen and worsted goods, but with the outrageous tariff by which her manufacturers are protected, who can prophesy that they will not soon invade this country? There is a huge syndicate in the United States called the American Woolen Company.

I brought the organization of that combination to the attention of the Senate this afternoon. Its fame seems to have traveled abroad.

There is a huge syndicate in the United States called the American Woolen Company, controlling 60 per cent of the woolen and worsted mills of that country. Let no man deceive himself with the thought that America will never be able to export textiles, for she is exporting large quantities of cotton goods to Turkey and to China at this moment.

I read that just simply as a general statement of the present-day opinion concerning this industry in this country emanating from those who are critically studying and observing its progress in the different countries of the world.

COMPENSATORY DUTIES ARE EXCESSIVE.

With reference to the extravagance of the duties in this schedule I wish to call the attention of the Senate to the compensatory duty, and primarily upon yarns. I had brought to my attention a decision by the Treasury Department which emphasizes in a way the excessive nature of this compensatory duty.

The Dingley Act allows a compensatory duty on yarns, valued at not more than 30 cents a pound, of two and one-half times the duty on the wool, and on yarns valued at more than 30 cents a pound three and one-half times the duty on the wool. That is to say, the assumption is made that it takes 2½ pounds of wool to make a pound of yarn of the first-mentioned class, and 3½ pounds of wool to make a pound of yarn of the second class.

An examination of the allowance made by the Treasury Department in the shape of drawback of duty on exported yarn shows that upon expert investigation the department found the proportion to be 1½ pounds of raw wool to 1 pound of yarn.

Of course it would not be found to be the same in every case. In other words, the wool waste used is in fact half a pound as against 1½ pounds allowed by the law, the tariff being generous to the spinner to the extent of three times the amount which should be actually allowed.

I am free to admit, for I wish to be perfectly fair about this, that there might be found cases where the full 2½ pounds of the compensatory allowance enters into the making of a pound of yarn, but it is rarely so; and yet that exceptional condition is made the standard and applied throughout upon the yarns of the first class, and in that way the protective duty is nearly doubled to the manufacturer. What is true of yarns of this class is true of yarns of every class. And what is true of all classes of yarns is true of all classes of cloths. In the first place, they have a protective duty to cover difference in cost of manufacture that is more than ample. Then they have a so-called "compensatory duty," which, besides compensating them for the amount of wool they use, more than compensates them and nearly doubles their protective duties.

I have here Treasury decision No. 27604, which fixes the matter of liquidation. I will not take any more time with it, but I cite the number of it so that anyone who chooses can make reference to it.

EXPERT ANALYSIS MADE BY SAMUEL S. DALE.

Mr. Samuel S. Dale, editor of the Textile World Record, has been referred to a number of times in the course of this discussion. The Senator from Iowa [Mr. DOLLIVER] has given Mr. Dale such an introduction to the Senate that any statement made by him will be accepted by Senators as that of a competent, trustworthy, and conscientious gentleman.

I wish to submit some investigations which Mr. Dale made with very great thoroughness demonstrating the excess of this compensatory duty in the manufacture of cloth.

It is charged by the representatives of the carded woolen industry—and these charges are supported by abundant testimony taken before the Ways and Means Committee, and all the information that can be obtained from other trustworthy investigations—that the duty on raw wool is neither scientific nor just. The duty is fixed at 11 and 12 cents, respectively, for classes 1 and 2 of raw wool, without regard to the shrinking qualities of the wool. Some wools, upon being washed and scoured, shrink to about one-fourth (or even less) of their original weight; others may lose but a small fraction of their weight. This makes greasy or heavy shrinking wool subject to a duty of 44 and 55 cents a pound after it has been scoured, where another class of wool of a far superior quality may not pay more than 15 cents a pound of actual wool, although both are assessed at a rate of 11 cents in the unwashed condition.

DUTIES SHOULD BE LEVIED ON SCoured WOOL.

This inequality might be removed to some extent if the duty were levied on scoured wool, as suggested by the Senator from Iowa in the amendment which he has proposed, but the law prevents it by providing—see how ingeniously the thing has been worked out—(paragraph 362) that "the duty on wools of the first class which shall be imported washed shall be twice the amount of the duty to which they would be subjected if imported unwashed; and the duty on wools of the first and second classes which shall be imported scoured shall be three times the duty to which they would be subjected if imported unwashed."

It so happens that the wools required by the carded wool industry are the short, heavy-shrinking wools. It is the carded-wool industry that manufactures the coarser kinds of woolen cloth, such as would be used by the poorer people. The effect of the straight specific duty without distinction as to the shrinking qualities, or the fineness of the wool, has been to make the duty on the wool of the people of limited means many times that on the wool worn by those who purchase without regard to price. To overcome the prohibitive duty on the shorter wools the carded-wool manufacturers have been compelled to use shoddy and cotton to an extent detrimental to the health of the people, as well as to the cost of their clothing, since the cloth made of these substitutes has very poor wearing qualities.

DUTIES PROHIBITIVE ON COARSEST WOOLENS.

The compilation of estimated revenues submitted by the Senator from Rhode Island shows the highest ad valorem rate on raw unwashed wool not to exceed 47 and a fraction per cent. If the American people were to draw the conclusion that this represents the highest tax on imported wool, they would be greatly mistaken. It merely represents the highest average rate of taxation which imported wool could pay and still be imported during the year 1907. The prohibitive rates naturally are not apparent. To show what they are, Mr. Dale presents the calculations of ad valorem equivalents of the duty on wool sold

in the open market in London, which will be found on pages 650-651 of the Textile World Record for March, 1909. The summary of the ad valorem equivalents of the specific Dingley duty on the wools sold at the January London sales shows the lowest rate on coarsest wool to be 23 per cent ad valorem; the highest, 550 per cent; the lowest duty on washed wool, 22 per cent; the highest, 733 per cent; lowest on scoured wool, 52 per cent; highest, 412 per cent.

Of course those high rates will not be shown by Imports and Exports. They will not be shown by the table of estimates presented here, because these wools can not come in at all. Yet they are the wools for which provision should be made, so that the poor people of this country, who can not afford higher priced wools, may at least have coarse woolen cloth to wear rather than shoddy and cotton.

Needless to add that the highest rate applies to the cheapest and coarsest wools, the very kind used in clothing the poor in Europe, and excluded under the high tariff from the American market. This arrangement does not in effect give the American sheep grower greater opportunity to sell his wool (for he does not supply more than three-fifths of the domestic demand), but it does compel the use of greater quantities of shoddy and cotton in the place of wool.

Mr. WARREN. May I ask the Senator from Wisconsin a question?

Mr. LA FOLLETTE. Certainly.

Mr. WARREN. Perhaps I did not understand the Senator correctly. Did he say we raised only two-thirds of the wool consumed in this country?

Mr. LA FOLLETTE. No; I did not say that. We produced last year, in 1908, about 311,000,000 pounds of wool, according to the estimate made by the manufacturers' association, and we imported, as I remember now, about 196,000,000 all told.

CARDED WOOLEN MILLS AT MERCY OF WORSTED MILLS.

Cut off from the supply of the greater part of the raw material which he requires in his industry, the carded-wool manufacturer is obliged to fall back upon products of the worsted industry, known as noils, wool waste, and reworked wool. And again he finds that these by-products of the worsted industry are heavily overprotected. Says the Textile World Record, January, 1909:

It is difficult to avoid the conclusion that the carded-wool industry has been starved, while the worsted industry has been placed in a favorable position by reason of the low duty on light shrinking worsted wools, and of the high prices at which the worsted by-products have been sold to carded woolen and knitting mills—

as a result of the high duty on these by-products.

The Textile World Record then proceeds to give a series of investigations and analyses of cloths, conducted by Mr. Dale and under his supervision, to which I direct the attention of the Senate for just a moment. He says with respect to this:

We have applied the Dingley rates to a number of wool fabrics which have either been made or analyzed by us personally. We know as well as it is possible for anyone to know how much material is required to manufacture a pound of the respective cloths and present here the results of our calculation. We believe that this is the first time that the result of such an examination of the Dingley schedules have ever been published.

PRACTICAL APPLICATION SHOWS EXCESSIVE DUTIES.

Now, taking the first one of these analyses, No. 25, worsted serge, weighing 18.4 ounces per yard, 54 inches wide, of this particular cloth, there were 10,000 yards made at one time; its value was \$10,000; it weighed 11,500 pounds. This required 21,941 pounds of greased wool. The Dingley compensatory duty on 11,500 pounds of cloth under the existing law, retained in this bill, would be 44 cents per pound, or \$5,060, or, reduced to an ad valorem equivalent, 50.6 per cent. But as a matter of fact there was not that quantity. There were only 21,941 pounds in the entire 10,000 yards of cloth. At 11 cents a pound the specific duty on that greased wool, the compensatory duty should have been 24 per cent instead of 50 per cent, as shown by the quantity of wool actually weighed out and woven into the cloth. The duty which should have been allowed the manufacturer to compensate him for the higher price he was obliged to pay for his wool because of the duty on wool, assuming that the price of the wool was increased by the full amount of the duty on it, was \$2,413. The compensating duty actually allowed under the Dingley law amounted in this analysis to \$5,060.

Take the next number which was analyzed, and I will not go into any details. There were 10,000 yards in that piece. Taking the quantity of grease wool that was actually put into it, viz, 4,515 pounds, and assessing the Dingley duty upon it at the rate of 4 pounds of grease wool to each pound of cloth and reducing the duty to an ad valorem equivalent, gives a compensatory duty of 73.7 per cent. Take the actual amount of wool which was woven into that cloth and assess the 11 cents per pound duty and reduce it to an ad valorem equivalent,

and it was only 19.9 per cent; that is, that 10,000 yards of cloth, when it had the test applied to it, while it would take under the Dingley law and under this present bill a compensatory duty of 73.7 per cent, would have been entitled upon the actual amount of wool that went into it to 19.9 per cent instead. In other words, the difference between 19.9 per cent of the compensatory duty and 73.7 per cent was improperly secured by the manufacturer as an extra protective duty upon his product and given to him under the guise of a compensatory duty.

Take the next analysis presented by Mr. Dale—C 96, the details of which I will print in connection with my remarks, and which I will not go into fully now.

In this case 10,000 yards of cloth had woven into it 9,760 pounds of greased wool, but because the Dingley law said that it had woven into it 4 pounds of greased wool to each pound of cloth a duty was assessed upon it as though it had 16,748 pounds of wool instead of 9,760 pounds of greased wool.

The Dingley duty upon this cloth at 44 cents per pound, taking the weight of the cloth as 4,187 pounds, amounted to \$1,842, or 46 per cent. The actual compensatory duty required upon the 9,760 pounds of greased wool at 11 cents per pound was \$1,073.60, or, reduced to an ad valorem, 26 per cent, as against 46 per cent, which the cloth would actually take with the duty applied under the Dingley law.

The next was a worsted serge, a piece of 10,000 yards, at 90 cents a yard, worth \$9,000. The cloth weighed 9,062 pounds. This, under the Dingley law, at 44 cents per pound for wool for every pound of cloth, would be assessed \$3,987.28, or, reduced to an ad valorem, 44.3 per cent. The actual compensatory duty required upon the amount of wool which was actually woven into the 10,000 yards of cloth at 11 cents per yard would be \$2,303.95, or, reduced to an ad valorem, 25.6 per cent. In other words, in this case the compensatory duty which the cloth took under the Dingley law was 44 per cent; the compensatory duty which it ought to have taken was 25 per cent.

In the next case, 10,000 yards of cloth, the compensatory duty which would have been assessed against that cloth, counting 4 pounds of wool for every pound of cloth, would have been \$3,850 when it came to the custom-house, or 77 per cent. The amount of wool actually entering into the cloth, if assessed at 11 cents a pound, as required by the law, would have been \$343, or 6.8 per cent. In other words, in that particular case the compensatory duty was 77 per cent in addition to the protective duty, and the compensatory duty should have been but 6.8 per cent. So the manufacturer was able to add to his protective duty an undue compensatory duty of over 70 per cent which did not belong to him, and which he could not have claimed upon any basis applied to any protective system ever supported in this country, but by the juggling of these protective and compensatory schedules he succeeds in more than doubling his duties.

Mr. BEVERIDGE. Mr. President—

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

Mr. LA FOLLETTE. I do.

Mr. BEVERIDGE. Will the Senator permit a question?

Mr. LA FOLLETTE. Certainly.

EXPLANATION OF COMPENSATORY DUTIES.

Mr. BEVERIDGE. Is this compensatory duty supposed to be paid upon the yard of cloth upon the supposition that it is entirely made of wool?

Mr. LA FOLLETTE. It is paid upon the supposition that it contains 4 pounds of wool to each pound of cloth, against which there is assessed a compensatory duty of 11 cents per pound, and it takes this compensatory duty of 44 cents for every pound of cloth.

Mr. BEVERIDGE. Exactly. That is to say, each pound of cloth is supposed to take 4 pounds of wool.

Mr. LA FOLLETTE. It is supposed to have taken 4 pounds of this greased wool in making that pound of cloth.

Mr. BEVERIDGE. Was the compensatory duty paid upon that hypothesis?

Mr. LA FOLLETTE. Yes, sir.

Mr. BEVERIDGE. When, as a matter of fact, as I understand from the illustration, that was not the case at all, but it was a very much less amount.

Mr. LA FOLLETTE. A very much less amount of wool than that which is fixed by the law enters into the weaving of the cloth.

Mr. BEVERIDGE. Would it be too much trouble if the Senator would explain, so that it may appear in plain terms, just what the compensatory duty is?

Mr. LA FOLLETTE. The compensatory duty is an allowance made after the manufacturer has been granted his pro-

ductive duty. The protective duty is supposed to measure the difference between the cost of doing the work in this country and doing the same work in the competing country. The compensatory duty is allowed in addition to a protective duty to offset and compensate the manufacturer for the extra price of the wool which enters into the cloth because of the tariff which has been assessed against foreign wool. The compensatory duty upon the wool which he weaves in that kind of cloth is 11 cents per pound. The law says that he shall be entitled to a duty equivalent to the duty on 4 pounds of wool in the grease, or 44 cents, as a measure of the additional price that he would have to pay for the 4 pounds of wool (presumed to be required to weave a pound of cloth), the price of which it is assumed would be increased to that extent by the assessment of 11 cents per pound duty upon it.

Mr. BEVERIDGE. Let me get it clear in my own mind. This compensatory duty, I suppose, in a sentence, is the amount that the manufacturer is given to compensate him for the extra amount which he will have to pay for any foreign wools that he buys to go into the cloth.

Mr. LA FOLLETTE. Exactly.

Mr. BEVERIDGE. As a compensatory duty.

Mr. LA FOLLETTE. Yes, sir.

Mr. BEVERIDGE. Then he is paid according to the law upon 1 pound of cloth upon the assumption that 4 pounds of such wool have gone into it.

Mr. LA FOLLETTE. That is it exactly.

Mr. BEVERIDGE. When the Senator is trying to show, and if his figures are correct he does show, that, as a matter of fact, that amount of wool which the law supposes to have gone into the pound of cloth has not gone into it at all.

Mr. LA FOLLETTE. In actual practice it does not require the 4 pounds which the law allows. I want to be perfectly fair. I think there may be exceptional cases where 4 pounds of wool might be consumed in weaving a pound of cloth, but I say that the exception should not have been made the standard, thus enabling the manufacturer to get an additional protective duty under the guise of a compensatory duty on a quantity of wool in excess of the amount used.

Mr. BEVERIDGE. Simply because, I take it, the standard as fixed by law exceeds the amount of wool which, as a rule, is used in manufacturing the cloth.

Mr. LA FOLLETTE. That is it exactly. I think that any wide range of investigation will show the compensatory duty to be unwarranted and excessive.

QUOTING THE REPORT IN FULL.

Mr. WARREN. Would I disturb the Senator if I should ask him a question? I am not quite certain what he is reading from—I have a copy of Mr. Dale's statement here. In the paper from which the Senator is reading are there not quotations showing that in some cases it will take six pounds of wool to a yard of cloth?

Mr. LA FOLLETTE. No; I do not find anything of that sort in the table from which I have been reading.

Mr. WARREN. I have an article here signed by Mr. Dale, which I presume the Senator has, which makes that calculation among others. I presumed that he might be making the same.

Mr. LA FOLLETTE. The Senator is mistaken.

Mr. WARREN. The Senator was quoting from the same authority and, I thought, from the same paper. I beg the Senator's pardon.

Mr. LA FOLLETTE. It is not the same paper at all. I am quoting, let me say to the Senator from Wyoming, everything that is in this paper of Mr. Dale's. I am not in the habit of juggling with facts which I am submitting to the Senate, and I have been reading consecutively each one of the examples presented by Mr. Dale, and I shall continue to do so until I have finished them.

Mr. WARREN. The Senator does not accuse me of suspecting that he was going to put anything in, of course, that was not there?

Mr. LA FOLLETTE. I do not know just exactly what the Senator means.

Mr. WARREN. I simply wanted to know if the Senator was reading from the same paper that I have here.

Mr. LA FOLLETTE. Either the Senator from Wyoming thought I was not going to read something which ought to be quoted, or else he thought it was very important that it should be introduced out of its regular order in the matter which I am at present submitting.

Mr. WARREN. Now, Mr. President, the Senator guessed wrong, as he sometimes does. I was undertaking to ascertain if it was the same paper that I have, because if it was the same paper, with the Senator's spirit of fairness, of course he would put in the entire statement.

Mr. LA FOLLETTE. Of course, if the Senator had been following me, he would have known that it was not the paper which he has at all—

Mr. WARREN. I think he has been quoting—

Mr. LA FOLLETTE. Because the numbers are not the same and it has no reference to the experiment referred to in the paper which the Senator says he has. If he had the paper I have and was following me, he would know perfectly well I was giving item by item just exactly what is in that series of investigations conducted by Mr. Dale.

Mr. WARREN. Very much of that is in the paper which I have, I will say to the Senator.

Mr. LA FOLLETTE. I think the Senator is entirely mistaken. I think the Senator has another paper. I noticed the paper which he held up is illustrated.

Mr. WARREN. I have two papers, I will say.

Mr. LA FOLLETTE. And there are some illustrations in it. I will be glad to put into the CONGRESSIONAL RECORD any paper of Mr. Dale's, pictures and all, if permitted to do so, because it will sustain and corroborate every single statement which Mr. Dale makes in the paper from which I am quoting.

Mr. WARREN. I think I can square myself to the Senator—

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

Mr. LA FOLLETTE. The Senator is always square to me.

Mr. WARREN. I asked the Senator a respectful question, if the Senator was reading from the same paper, for if much that he read from there was the same then it would be—

Mr. LA FOLLETTE. What paper, let me inquire, has the Senator before him?

Mr. WARREN. I have two or three.

Mr. LA FOLLETTE. Now, let us see what one do you refer to. You say it is much the same. Let me see what it is. I do not believe Mr. Dale has any conflict in his analyses. What paper was the Senator inquiring about?

Mr. WARREN. If the Senator will permit me I will get to that.

Mr. LA FOLLETTE. If the Senator will permit me, since he has interrupted me, I will ask him what paper he is inquiring about. What is your paper?

Mr. WARREN. Will the Senator yield to me? He certainly will allow me to finish my sentence. If he is unwilling to do that I will surrender and will not interrupt him. I have several papers signed by this same party.

Mr. LA FOLLETTE. I should like—

Mr. WARREN. I asked in a respectful way whether that item was in it, because it made it unnecessary then for me to quote it later; that was all.

Mr. LA FOLLETTE. May I inquire of the Senator from Wyoming what that paper is?

Mr. WARREN. I have, in the first place, the one the Senator held up in his hand, the one with the illustrations.

Mr. LA FOLLETTE. That was not the one I was quoting.

Mr. WARREN. I have also another.

Mr. LA FOLLETTE. Has the Senator before him the paper from which I was reading?

Mr. WARREN. I have the same figures; it may not be the same paper.

Mr. LA FOLLETTE. I shall incorporate them all in my remarks.

Mr. WARREN. They are figures in the Textile World Record.

Mr. LA FOLLETTE. If he has the same figures before him he will not fall into any confusion about it at all. There is no conflict or contradiction in any of Mr. Dale's statements.

Now, Mr. President, resuming the illustration which I was giving to the Senate when the Senator interrupted me, I will quote the next analyses made by Mr. Dale. Mr. Dale, I want to say to the Senate, has rendered a very great service in making these analyses and publishing the facts to the world. It will aid materially in fixing either now or hereafter the right scale of duties upon woolen cloth. I do not believe we are going to dispose of this tariff question in this one session. Our work here is going out to ninety million people. Undoubtedly the stimulus of these extravagant duties will result in a business boom. But the excessive charges for everything that enters into the cost of living will compel the people to again demand that Congress honestly revise the tariff and relieve them from excessive and unjust burdens imposed upon them.

WHO ARE THE REAL REPRESENTATIVES OF REPUBLICAN POLICIES.

Senators might as well understand now that we are not going to get rid of this question by simply passing the pending bill. The tariff question will remain an issue in this country if we enact a law upon the lines proposed. Yesterday or the day be-

fore the Senator from Rhode Island arraigned the Republican Members of this body who are seeking to prevent an increase in the tariff schedules, and questioned their Republicanism. Why, Mr. President, the men who controlled the convention at Chicago were men who believed just as the little band of Republicans who are struggling to prevent these tariff increases believe. Need the stand-pat Senators upon the Republican side be reminded that they were in the minority in that convention? They would have defeated, if they could, the nomination of President Taft. There was a get-together organization here that was opposed to President Roosevelt and to the man President Roosevelt wanted to see nominated to carry forward his policies. I say, in response to the criticism of the Senator from Rhode Island, that the Chicago convention was not controlled and the Chicago platform was not made by his kind of Republicans, and I say to him here to-night that if he had been running for the Presidency of the United States upon a tariff platform such as this bill seeks to embody into law, he could not have carried four States in this Union.

MANUFACTURERS MADE THE RATES.

Now, Mr. President, a few progressive Republican Senators opposing an overwhelming majority bent on increasing the duties enter as best we can day by day our protest against the policy they are pursuing, and we make our appeal to our associates to frame this tariff bill for the best interest of the average American citizen who brought about this revision. Every time a rate is questioned, every time a request is made of the Finance Committee for their authority for an increased rate, some member of the Finance Committee arises and answers that the manufacturers have stated that they need it. The testimony of merchants is scoffed at because they sometimes import goods into this country; and the information called for by the Department of State, which would have enlightened us with respect to wages and cost of production in Germany, has been suppressed by the committee with a persistency that warrants the belief that it would not sustain the work of the committee. We have before us a tariff bill the rates of which have been, according to forty-odd admissions made by the chairman of the Finance Committee, fixed by the manufacturers, who, he says, ought to be followed, because they are giving employment to American labor, American capital, and sustaining American industry. I grant you, Mr. President, that their testimony should be taken and should be weighed; but they are directly interested parties and their testimony should not be considered final and absolute. The testimony of foreign experts as to the cost of production should be considered, the statistics of foreign countries ought to be taken, scanned very critically, to be sure, because foreign countries are interested parties; examined perhaps more critically than the testimony of an interested manufacturer in this country, but nevertheless it should be taken and weighed carefully if an honest effort is being made to frame a tariff on principle. No court excludes testimony that is material and relevant because it is offered by interested parties; but this Finance Committee assumes that it has higher authority than the Senate it is supposed to serve. Senators are denied access to testimony that ought to be submitted for consideration, and the committee takes the absurd position that it is disloyal and unpatriotic to consider statistics furnished by a foreign government or to seek any other testimony than that of manufacturers, who are interested parties and who want the highest possible rates.

BILL MADE LIKE THIS CAN NOT STAND.

Mr. President, such a system is inherently wrong. While it may temporarily postpone a just and fair revision of duties, it will not finally settle this tariff question. We are not sovereigns here; we are but servants. The sovereigns are in the workshops, on the farms, in the factories, in the stores and countingrooms. It is the average interest of the whole people we should serve, not certain special interests. The question is, Are we framing this bill with a view to all the interests of all the people of this country or just with reference to the manufacturers of this country? The manufacturers ought not to be injured, but they should be given just the measure of protection that constitutes the difference in the cost of production between this and competing countries. They should not be guaranteed a profit. It is not the duty of government to guarantee a particular class of its citizens a profit in business. We are here to act, I say, not for manufacturers alone, but for the great body of the citizenship of this country, wherever they dwell, whatever they do. If a revision of the tariff is made on that basis, it will stand. If it is made in the interest of a section of this country or of a class, it can not be maintained.

It does not lie with any man to make a lasting impression upon this Senate or upon the country unless he builds upon a basis of truth. I am submitting a statement of experiments

conducted by the editor of the Textile World Record. It is either true or false. If true, it will stand. If false, it will be swept aside. Misrepresentation must in the end fail. It can do no lasting harm except to him who employs it.

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

The PRESIDENT pro tempore. The Secretary will call the roll. The Secretary proceeded to call the roll, and the following Senators answered to their names:

Aldrich	Clark, Wyo.	Frye	Penrose
Bacon	Clarke, Ark.	Gallinger	Perkins
Bailey	Clay	Gamble	Rayner
Beveridge	Crane	Heyburn	Root
Borah	Crawford	Hughes	Scott
Bradley	Culberson	Johnson, N. Dak.	Smith, Mich.
Brandagee	Cullom	Johnston, Ala.	Smoot
Briggs	Cummins	Jones	Stephenson
Bristow	Curtis	Kean	Stone
Brown	Davis	La Follette	Sutherland
Bulkeley	Depew	Lodge	Taliaferro
Burkett	Dick	McCumber	Warner
Burrows	Dillingham	Martin	Warren
Burton	Dolliver	Money	Wetmore
Carter	du Pont	Nelson	
Chamberlain	Flint	Overman	
Clapp	Foster	Page	

Mr. SCOTT (when the name of Mr. ELKINS was called). My colleague [Mr. ELKINS] is unavoidably absent from the Senate this evening.

Mr. OVERMAN (when the name of Mr. SIMMONS was called). I desire to announce that my colleague [Mr. SIMMONS] is absent at home, sick.

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

Mr. NELSON. Will the Senator from Wisconsin yield to me?

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

Mr. LA FOLLETTE. I do.

Mr. NELSON. Mr. President, I simply rise to express my great surprise at the fact that while the Finance Committee are ready to hear the various protected interests, they are unwilling to hear Senators when they discuss those same items of the tariff bill from another point of view.

Mr. LA FOLLETTE. Mr. President, I was just saying, when interrupted by the call for a quorum, that it is not possible for Congress to inflict a permanent injury on the people by an unjust revision of these tariff schedules. We are about to pass a bill at this session that will impose additional burdens upon the consumers of the country. They asked for relief. This bill will increase the cost of living in every home in the land. I say it will not stand. Public indignation will compel its repeal. This is a free country. We may grow arrogant in official position. Given a long lease of authority we may become indifferent to the rights of those from whom we take our power; but, Mr. President, the rural free delivery, the improvement of our highways, the daily press, and the public platform will carry the truth to the people every day, and this Congress can not write and maintain legislation on the statute books that inflicts injustice upon 90,000,000 enlightened American citizens.

PEOPLE DEMANDED REVISION DOWNWARD.

Upon the whole we are revising this tariff upward, not downward; and that is not what we were commissioned to do. Nor was this extra session forced upon us merely to rewrite the Dingley law. The people certainly were not clamoring for a higher tariff so strongly as to force a call for an extra session, and if they were satisfied with existing rates we certainly would not be here. We are here because the people for more than five years have been demanding that the Dingley rates should be reduced. They know that great progress has been made in the industrial life of the American people. They know that all this industrial reorganization has cheapened production; that fabulous fortunes are being acquired by those who control industrial organizations. In the meantime they know that life has grown harder day by day for the great mass of the American people. The cost of living has increased year after year, without a corresponding increase in the earning power of the average man. They know it is wrong. They have talked it over at home and with their merchant, their groceryman, their butcher. They know that the foolish claim made in the course of this debate, that the increased cost of living is chargeable to the retail merchant, is a subterfuge to cover up the enormous profits of those who suppress domestic competition behind a tariff that excludes foreign competition.

HOW THE BURDEN IS LOADED ON THE CONSUMER.

So, Mr. President, any unjust profit that is made possible by this legislative enactment will be multiplied to the consumer and will become a matter of very serious import to him when it is placed, not only upon one product but upon another and another until it reaches everything that goes upon his table,

everything that goes to clothe and warm his family and provide for their comfort.

The Senator from Iowa [Mr. DOLLIVER] and other Senators have analyzed this bill and made plain to the understanding of everybody the wrongs that are being imposed upon consumers by this revision. Others will supplement this work. And I say to you that in every nook and corner of this great land of ours the people are going to understand this tariff question. You can not write in the laws of this country an unjust tariff bill and have it stand. The country will not permit it.

TAKE TIME TO DO THE WORK PROPERLY.

Personally I do not believe, Mr. President, we can ever get onto a practical, workable, scientific basis for tariff revision without the help of a tariff commission. But we must revise this tariff without the aid of an expert commission. Let us take time to gather all information necessary to enable us to frame a law such as we promised, based on the difference in the cost of production. It is not too late yet, Mr. President. It is mid-summer. What of that? A big task; all this work to do over again. For I doubt if we can justify any of the duties proposed in this bill under the Republican party platform. There has been no thoroughgoing investigation such as the changed conditions called for upon which to base revision. We had better go back and begin over. We may smile about it now, but it will not be a matter for levity hereafter.

BILL MUST BE APPROVED BY THE NINETY MILLION.

Mr. President, in the atmosphere of this Senate Chamber, we are cut off, alienated, and segregated from the popular thought and feeling of the country. We come here to serve out our time—brief for some of us, long for others—but even for those who serve longest, how brief! It is only a little time and we all pass off the stage, to be held in memory but for a few fleeting years in the communities where we live. Let us do our work here, mindful every hour that we are not doing it to meet the approval of the Senator from Rhode Island. In so far as we shall take pride in what we do, in so far as our children will take pride in what we do, Mr. President, it will be only as it shall accord with what is just to all the people of this country, not to the sixty or seventy manufacturers who are organized in the American Woolen Company, but to the ninety millions of people who work on the hillsides and at the forges and in the countinghouses and shops of every city and hamlet of the land.

EVERY INTEREST SHOULD BE CONSIDERED—NONE WRONGED.

The great manufacturers have their rights, which should be duly regarded. I would not disparage the men who are manufacturing under this wool schedule. I would wrong no man and do injustice to no corporation. I would give to these men all they are entitled to fairly, according to the protective principles that should be applied in the making of every tariff bill. But you are doing more than that, and you do not furnish the facts to justify what you are doing. You can not make lasting, under existing economic conditions, a tariff schedule that you can not justify with facts—established facts.

Mr. President, if I do not get in every one of these statements of Mr. Dale it will not make such a tremendous amount of difference. Mr. Dale and the Senator from Wyoming [Mr. WARREN], and the Senator from Utah [Mr. SMOOT], and the Senator from Wisconsin will not cut so very much figure in this whole problem after all. Everlasting right is what is going to settle it finally.

Mr. President, I digressed, and I apologize for it. I did not intend to, and I come back, if I may have the attention of the Senate, for just one or two more of these examples; then I will ask leave to print the balance of them. But I will print them all; I will not leave out one, and if the Senate will permit, I will print the pictures. [Laughter.]

Now, the next piece, Mr. President, shows this: On the 10,000 yards analyzed by Mr. Dale it did not take 4 pounds of wool to make a yard of cloth, but if you assess the 4-pound duty, which the Dingley law authorizes, the compensatory duty alone amounts to 102 per cent. Just the compensatory duty; besides that, you know, the manufacturer has his protective duty.

Now, had that sample of cloth, which you will find in my remarks in the speech in the Record as No. E382, been assessed for just the amount of wool that was actually put into it, it would only have received a 23 per cent compensatory duty. Under the Dingley law it is wrongfully assessed a compensatory duty of 102 per cent on top of the protective tariff duty.

I pass from this with the request that I may be permitted to print in the Record all the analyses which I have in my possession which have been made by Mr. Dale without reading them, if the President will kindly submit that request to the Senate.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin? The Chair hears none. The order is made.

The matter referred to is as follows:

A25.—Worsted serge; 18.4 ounces per yard, 54 inches wide; 10,000 yards, at \$1, \$10,000; 11,500 pounds cloth. This requires 21,941 pounds grease wool.

Dingley duty.	Duty.	Per cent.
11,500 pounds cloth, at 44 cents	\$5,060.00	50.6
55 per cent of \$10,000	5,500.00	55
Total duty	10,560.00	105.6
Actual compensatory required: 21,941 pounds grease wool, at 11 cents	2,413.51	24.1
Actual protection	8,146.49	81.5

A96.—Cotton warp dress goods; 6.7 ounces per yard, 50 inches wide; 10,000 yards at 25 cents, \$2,500; 4,187 pounds cloth. This requires 4,515 pounds of grease wool.

Dingley duty.	Duty.	Per cent.
4,187 pounds cloth, at 44 cents	\$1,842.28	73.7
50 per cent of \$2,500	1,250.00	50
Total duty	3,092.28	123.7
Actual compensatory required: 4,515 pounds grease wool, at 11 cents	496.65	19.9
Actual protection	2,595.63	103.8

C96.—Worsted dress goods; 6.7 ounces per yard, 50 inches wide; 10,000 yards, at 40 cents, \$4,000; 4,187 pounds cloth. This will require 9,760 pounds grease wool.

Dingley duty.	Duty.	Per cent.
4,187 lbs. cloth, 44c.	\$1,842.28	46
55 per cent of \$4,000	2,200.00	55
Total duty	4,042.28	101
Actual compensatory required: 9,760 lbs. grease wool, 11c.	1,073.60	26.8
Actual protection	2,968.68	74.2

E119.—Worsted serge, piece dyed; 1½ ounces per yard, 56 inches; 10,000 yards, at 90 cents, \$9,000; 9,062 pounds cloth. This would require 20,945 pounds grease wool.

Dingley duty.	Duty.	Per cent.
9,062 pounds cloth, 44 cents	\$3,987.28	44.3
55 per cent of \$9,000	4,950.00	55
Total duty	8,937.28	99.3
Actual compensatory required: 20,945 pounds, 11 cents	2,303.95	25.6
Actual protection	6,633.33	73.7

A220.—Cotton worsted, 1½ ounces, 55 inches wide. 10,000 yards at 50 cents, \$5,000. 8,750 pounds cloth. This would require 3,125 pounds grease wool.

Dingley duty.	Duty.	Per cent.
8,750 pounds, 44 cents	\$3,850.00	77
50 per cent of \$5,000	2,500.00	50
Total duty	6,350.00	127
Actual compensatory required: 3,125 pounds, 11 cents	343.75	6.8
Actual protection	6,006.25	120.2

A207.—Cotton warp casket cloth, cotton, wool, and shoddy; 15½ ounces per yard, 68 inches wide; 10,000 yards at 50 cents, \$5,000; 9,688 pounds cloth. This will require 2,375 pounds cotton warp, 1,600 pounds grease wool, 1,125 pounds raw cotton, 9,563 pounds shoddy.

Dingley duty.	Duty.	Per cent.
9,688 pounds cloth, 44 cents	\$4,262.72	85.2
50 per cent of \$5,000	2,500.00	50
Total duty	6,762.72	135.2
Actual compensatory required: 1,600 pounds, 11 cents	\$1,760.00	
9,563 pounds, 5 cents	478.15	
	2,238.15	44.8
Actual protection	4,524.57	90.4

608.—Piece dyed Kersey, 25 ounces per yard, 55 inches. Stock: Back warp, 40 per cent; Oregon, 60 per cent shoddy; face warp and filling, 50 per cent; California, 50 per cent shoddy, 10,000 yards, \$1.25, \$12,500; 15,625 pounds cloth. This would require 32,426 pounds wool in grease, 13,167 pounds shoddy.

Dingley duty.	Duty.	Per cent.
15,625 pounds, 44 cents	\$6,875.00	55
55 per cent of \$12,500	6,875.00	55
Total duty	13,750.00	110
Actual compensatory required: 32,426 pounds, 11 cents	\$3,566.86	
13,167 pounds, 5 cents	658.35	
	4,225.21	33.2
Actual protection	9,524.79	76.8

E382.—Cotton warp beaver; 28 ounces per yard, 55 inches; 10,000 yards at 75 cents, \$7,500; 17,500 pounds. This quantity would require 3,611 pounds raw cotton, 1,309 pounds cotton warp, 22,123 pounds shoddy, 4,886 pounds fine wool, 1,137 pounds coarse wool.

Dingley duty.	Duty.	Per cent.
17,500 pounds, 44 cents	\$7,700.00	102.7
50 per cent of \$7,500	3,750.00	50
Total duty	11,450.00	152.7
Actual compensatory required: 6,023 pounds, 11 cents	\$662.53	
22,123 pounds, 5 cents	1,106.15	
	1,768.68	23.6
Actual protection	9,681.32	129.1

E24.—Irish frieze. 3½ ounces per yard, 55 inches. Stock, 50 per cent wool and 50 per cent waste. 10,000 yards at \$1, \$10,000. 21,250 pounds cloth. This requires 23,625 pounds grease wool, 17,719 pounds shoddy and waste.

Dingley duty.	Duty.	Per cent.
21,250 pounds, at 44 cents	\$9,350.00	93.5
50 per cent of \$10,000	5,000.00	50
Total duty	14,350.00	143.5
Actual compensatory required: 23,625 pounds, at 11 cents	\$2,598.75	
17,719 pounds, at 5 cents	885.95	
	3,484.70	34.8
Actual protection	10,865.30	108.7

A211.—Wool cassimere, territory wool, 13 ounces per yard, 54 inches wide, 10,000 yards at 85 cents, \$8,500; 8,125 pounds cloth. This will require 32,143 pounds grease wool, shrinking 65 per cent.

Dingley duty.	Duty.	Per cent.
8,125 pounds cloth, 44 cents	\$3,575.00	42
55 per cent of \$8,500	4,675.00	55
Total duty	8,250.00	97
Actual compensatory required: 32,143 pounds, 11 cents	3,535.73	41.6
Actual protection	4,714.27	55.4

DE.—Wool dress goods, piece dyed, 6 ounces per yard, 50 inches wide. 10,000 yards at 40 cents, \$4,000; 3,750 pounds cloth. This would require 14,823 pounds grease wool, shrinking 65 per cent.

Dingley duty.	Duty.	Per cent.
3,750 pounds, 44 cents	\$1,650.00	41.2
55 per cent of \$4,000	2,200.00	55
Total duty	3,850.00	96.2
Actual compensatory required: 14,823 pounds, 11 cents	1,630.53	40.8
Actual protection	2,219.47	55.4

WRONG MUST BE MET IN NEXT CAMPAIGN.

Mr. LA FOLLETTE. The analyses of Samuel S. Dale, which I have just presented, show that in the cases of these various pieces of cloth a duty has been assessed against them which can not be justified. There is no justification for it. They prove the absolutely vicious character of this feature of the woolen schedule. These compensatory duties should be revised. The users of these woolen cloths demand it. They are willing to give to the manufacturer all of the duty necessary to protect him against labor which takes a lower wage than our labor and lives according to different standards. They are content that the manufacturer shall have the difference in the cost of pro-

duction, but deny on top of that his right to a duty running from 25 to 100 and a hundred per cent more than he is entitled to as a compensatory duty. We might just as well settle that question here and now. If this great wrong is not corrected now, you will have to confront it in the campaign two years and four years from this time. This issue will not be dropped here by the progressive Republicans. It will be fought out to a finish. We have faith in the power of public opinion. The right will finally prevail.

GOVERNMENT EXPERT CLARK PROVES PROTECTIVE DUTIES EXCESSIVE.

Mr. President, I have shown that the compensatory duty runs from 25 to a hundred per cent more than is sufficient to compensate for the duties levied on wool—and I now propose to demonstrate by analysis of the cloth, made by impartial and competent authority, that the protective duty is itself excessive.

One of the most reliable sources of information as to the cost of production in the woolen industry is the report on the manufacture of wools, worsted, and shoddy in France and England by W. A. Graham Clark, special agent of the Department of Commerce and Labor.

I pause here to say that this special investigation, made by Mr. Clark, has been challenged. I will not cite it without giving you the information that its results have been denied by the beneficiaries of these exorbitant rates.

Mr. OVERMAN. He is a North Carolina boy.

Mr. LA FOLLETTE. He is a North Carolina boy. He is the son of the chief justice of your State, who is one of the greatest lawyers and publicists in America.

RELIABILITY OF MR. CLARK'S INVESTIGATION.

Mr. Clark, at the time he made this investigation, had been doing work of this character for the Government for about two years. He has traveled in nearly all of the principal foreign countries in which information of value to the textile industry could be gathered. He is a graduate of Harvard University and has supplemented his general education with technical courses in the textile schools of New England. At the time that he entered the government service he had been for some time in the actual charge and management of a cotton mill, and he is, therefore, a man of practical experience. His appointment was made upon the recommendation of a great number of manufacturers, and he was practically selected for this work by the textile manufacturers of the country, and that, too, without regard to whether they were woolen or cotton manufacturers. His reports have always been received by the trade with the highest approval until he reported the facts with respect to wages and the cost of production in the woolen industry. Then he was singled out as a target for criticism and disapproval. I believe that if legislation to revise the tariff had not been impending at the time this report was made public, its results would have been accepted by these manufacturers with the approval accorded to reports of prior investigations made by Mr. Clark.

Mr. Clark gives a detailed analysis of the cost of production of eight typical samples of worsted and woolen cloths, which seem to contain ample material upon which to base a calculation of what the duty on woolen cloth should be to afford full protection on the basis of the difference in the cost of production here and abroad. Before taking up the discussion of the figures in connection with each sample, it will be necessary to consider two general points applicable to all of these samples, viz, the difference in the cost of labor in England and this country, and the cost of spinning the wool and weaving the yarn into cloth.

DIFFERENCE IN THE WAGE COST.

As to labor: On page 25 of his report, Mr. Clark gives the following table of wages in the worsted industry in Italy, France, England, and the United States:

	Italy.	France.	England.	United States.
Sorters.....	\$4.60	\$6.40	\$7.30	\$12.50
Washers or dyers.....	3.00	4.25	5.60	7.00
Carders.....	2.30	4.00	3.90	6.00
Gill boxes.....	2.30	3.70	3.00	6.00
Comb minders.....	2.30	3.70	3.00	6.00
Boss spinner.....	7.00	9.25	12.00	18.00
Mule spinner.....	5.80	6.20	7.30	9.50
Ring spinner.....	2.30	4.00	3.00	6.00
Weavers.....	3.00	4.60	4.00	9.00
Fullers and pressers.....	3.50	4.25	6.00	7.00

This table shows that the wages are lowest in Italy, higher in France, still higher in England, and highest in the United States. Mr. Clark also adds that the cost of living is lowest in Italy, higher in England, still higher in France, and highest in the United States. At the same time, as would have been expected, the productive efficiency of labor is lowest in Italy,

higher in France, still higher in England, and highest in the United States. Mr. Clark does not furnish any figures that would show the extent to which the greater efficiency in the United States offsets the greater cost of labor. Mr. Clark's table shows that wages in the worsted industry in this country are from 17 to 125 per cent higher than in England.

To be on the safe side, as a protectionist, I shall assume in my calculations that the labor cost in this country is double that of England, thus making no allowance for the higher efficiency of labor in this country.

Mr. GALLINGER. Mr. President—

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

Mr. LA FOLLETTE. I do.

Mr. GALLINGER. I have examined this report with a great deal of interest, and the Senator will note in the letter of submittal, dated Bradford, England, November 1, 1908, found on page 5, Mr. Clark says "in general it may be said that the cost of the manufacture of worsteds in England is about half that in the United States."

Mr. LA FOLLETTE. I had already stated that.

Mr. GALLINGER. Yes; I understood the Senator so to say.

Mr. LA FOLLETTE. I want to be entirely fair.

Mr. GALLINGER. I understood the Senator to say that, and I was merely confirming his statement.

Mr. LA FOLLETTE. It is all right to call attention to it.

Mr. GALLINGER. That was the only purpose.

Mr. LA FOLLETTE. I think we ought to start in on that basis, and I would not stand for a duty a hair's breadth lower than would be safe to the industries of the country.

I have Mr. Clark's samples here—the identical cloth that he brought over to this country. The samples were kindly loaned me by the Bureau of Manufactures.

SHOWING MADE ON THE CLARK SAMPLES.

The samples produced by Mr. Clark came from British weaving mills which buy their yarn. In order to get at the proportion which the labor cost of combing and spinning bears to the cost of yarn, I have made use of tables given on pages 70, 73, and 74 of Mr. Clark's report, which give in detail the cost of turning out worsted yarn in a mill with a capacity of 7,500 pounds per week.

The following table, taken from page 74, shows in detail the cost of worsted spinning 1/20s:

	Per year.
Departmental costing:	
Interest and depreciation (10 years), at 4½ per cent.....	£ s. 214 16—\$1,045.50
Rent, 530 square yards, at 3s. 6d.....	92 15— 451.37
Motive power, say 60 indicated horsepower, at £5.....	300 0— 1,459.95
Repairs.....	20 0— 97.33
Lighting, rates, taxes, and insurance.....	100 0— 486.65
Materials.....	50 0— 243.33
Miscellaneous expenses.....	10 0— 48.66
Wages, 50 weeks, at £14 7s. 6d.....	718 15— 3,497.50
Wages, 52 weeks, at £2.....	104 0— 506.12
Total.....	1,610 6— 7,836.44

Production, 7,500 pounds per week. Cost per pound, £1,610 6s. (£7,836.44) ÷ (7,500 by 50) = 1.03d. (2.06 cents) per pound.

Adding the last two items in the table, representing wages, we get the total labor cost per year, \$4,003.62. The total production per year is 7,500 pounds multiplied by 50, or 375,000 pounds, which gives the labor cost of spinning a pound 1.07 cents. The cost of combing is given on page 70 of Mr. Clark's report at 4 cents, making the total wage cost 5.07 cents per pound. The selling price of 1/20s worsted yarn is given on page 70 of Mr. Clark's report at 59.6 cents per pound, making the labor cost 8½ per cent of the total cost of yarn.

In the case of 2/44s yarn, the table of costs given on page 73 of Mr. Clark's report is as follows:

Worsteds spinning, 2/44s.

	Per year.
Departmental costing:	
Interest and depreciation (10 years) on £6,500, at 4½.....	£ s. 814 11—\$3,964.00
Rent, 2,000 square yards, at 3s. 6d.....	350 0— 1,703.27
Motive power, say 200 indicated horsepower, at £5.....	600 0— 2,919.90
Repairs.....	50 0— 243.32
Lighting.....	120 0— 583.98
Rates, taxes, and insurance.....	250 0— 1,216.62
Materials.....	70 0— 340.66
Miscellaneous expenses.....	30 0— 146.00
Wages, 50 weeks, at £59 8s. 6d.....	2,971 5—14,454.50
Wages, 52 weeks, at £4.....	208 0— 1,012.24
Total.....	5,463 16—26,584.49

Production, 7,500 pounds per week. Cost per pound, £5,463 16s. (\$26,584.49) ÷ (7,500 by 50) = 3.54d. (7.08 cents) per pound.

ALLOWS AN EXCESSIVE LABOR COST.

Using the same method of calculation as in the first illustration, we get the cost of spinning per pound of yarn 4.1 cents and adding to that 4 cents per pound for combing, we get 8.1 cents. The cost of 2/44s yarn, as given on page 70, is 66.6 cents per pound, so that the proportion of the total wage cost to the cost of 2/44s yarn is 12 per cent.

Although 12 per cent is the highest percentage of labor cost of spinning given in Mr. Clark's report, I shall apply that figure in all cases; thus deliberately allowing for the proportion of labor cost of yarn an excessive proportion which, in the case of 1/20s yarn, will be 50 per cent too high.

I have taken these two cases of the labor cost of spinning the yarn, because in these two cases it is given in very great detail—in greater detail than in the lower classes. It was difficult, if not impossible, for the tariff expert of the Bureau of Statistics to get the figures in the lower number of yarns, and for that reason I give all the way through, in the costs which I shall submit to the Senate and incorporate in my remarks, the cost which applies to these two first samples. So no one can complain that this industry is being dealt with unfairly in the computation which is being made, and while this computation runs somewhat into detail, I beg the indulgence and patience of Senators, for the demonstration it makes is a very important one in the consideration of this bill.

We are now in a position to take up the several samples of cloth submitted by Mr. Clark, pieces of which I secured from the Bureau of Manufactures for presentation to the Senate.

The first sample is No. 1. It is a fancy worsted suiting; 1,056 yards of this cloth was made high grade; weight per square yard, 13.6 ounces; threads per inch in warp, 42; filling, 40; grade, botany No. 70, at 74 cents; yarn, 1,530 pounds; 2/16s. Then follows a table, which I ask leave to submit in connection with what I shall say here to-night, without reading to the Senate.

The PRESIDENT pro tempore. The Chair hears no objection.

The table is as follows:

Sample No. 1.—Fancy worsted suiting.

[1,056 yards, high grade; weight per square yard, 13.6 ounces; threads per inch in warp, 42; filling, 40; grade, botany No. 70, at 74 cents; yarn, 1,530 pounds, 2/16s.]

	Yarn.	Interest and depreciation.	Re-pairs.	Rent.	Gas, etc.
Material.....	\$1,132.20				
Office expense.....				\$0.34	\$0.16
Discounts, terms, etc.....		\$30.60			
Warehouse.....			2.96	1.64	
Patterns.....			.24	.24	
Weaving.....		11.70	\$3.12	4.56	4.70
Mending.....				1.20	1.20
Finishing and dyeing.....		10.08	1.78	5.98	4.98
Total.....	1,132.20	52.38	4.90	15.28	12.92

	Power.	Sup-plies.	Wages.	Salaries.	Total.
Material.....					\$1,132.20
Office expense.....		\$0.12		\$20.18	20.80
Discounts, terms, etc.....					30.60
Warehouse.....		1.48	\$2.96	20.56	29.60
Patterns.....		1.16	26.88	5.08	33.60
Weaving.....	\$3.92	1.30	\$2.64	18.94	130.88
Mending.....			21.60		24.00
Finishing and dyeing.....	10.36	12.60	48.60	2.10	96.48
Total.....	14.28	16.66	182.68	66.86	1,498.16

Cost per yard, 58 inches, \$1.419.

Mr. LA FOLLETTE. From data contained in the above table we derive the following figures:

Cost of yarn, 76 per cent of the cost of the finished goods (cloth).....	\$1,132.20
Cost per running yard (58 inches).....	\$1.419
Weight per square yard.....ounces.....	13.6
Weight per running yard.....do.....	21.896
Compensatory duty per running yard, at 44 cents per pound.....	60.214
Ad valorem duty, at 55 per cent ad valorem.....	78.1
Total duty.....	\$1.38314
Or 97 per cent ad valorem.	

Let us see what the wages for weaving this cloth are in England, and let us see what the wages for spinning the yarn woven

into this cloth are in England, for we have the means of figuring it out here:

	Per cent of cost.
Wages, weaving.....	12.2
Wages, spinning (12 per cent of selling cost of yarn).....	9.1
Total wages.....	21.3

CASES WHERE EXCESSIVE DUTY IS DEMONSTRATED.

On the assumption that the labor cost in this country is double that in England, the protective duty on that account should be 21.3 per cent of the cost of the cloth, instead of 55 per cent allowed by the Dingley tariff and retained in the Payne and Aldrich bills, making an excess of protective duty of 33.7 per cent.

This measures the excess of duty which these manufacturers will be able to exact under this law if we reenact the same duties in the pending bill.

But the 55 per cent does not represent the full amount of protection accorded to woolen cloth. There is also a compensatory duty of 44 cents a pound based on the assumption that it takes 4 pounds of grease wool to produce 1 pound of cloth. This assumption has been ridiculed by those who have any familiarity with the industry, as it has no reference to actual facts. To arrive at correct figures, a series of careful tests, extending over a long period and covering various kinds of cloth, was made, and the results published in the Textile World Record, January, 1909. I have presented to the Senate the results of these tests, which clearly establish that the 44 cents per pound compensatory duty is a fraud upon the consumers of this kind of cloth in this country.

I shall discuss the results of these tests more fully in the course of my remarks. For the present it is sufficient to say that these tests demonstrate beyond the peradventure of a doubt that a proportion of 2 pounds of wool to 1 pound of cloth of this grade is more nearly correct as an average than the allowance made in this bill and in the present law. On that basis the compensating duty per running yard of cloth would be one-half the figure given in the above estimate, or 30.107 cents per yard, equal to 21.2 per cent ad valorem. Summing up these figures, we find that the total duty should be made up of the following items:

	Per cent.
Compensatory duty.....	21.2
Protective duty.....	21.3
Total.....	42.5

as against the actual duty of 97 per cent, making an excess of duty equal to 54.5 per cent ad valorem.

The figures for the other samples are calculated on the same basis and can be given without further comment.

Sample No. 2, submitted by Mr. Clark, shows an excess of duty of 52.1 per cent. I will later put the entire table in the RECORD.

The next sample of cloth submitted by him is No. 3. The compensatory duty per running yard of this cloth at 44 cents per pound is 52 per cent; the protective duty is 55 per cent ad valorem. The total duty on that cloth is \$1.09 per yard, or 106.6 per cent ad valorem.

Now, the wages for weaving that cloth amount to 16 per cent of the cost; the wages for spinning, 12 per cent of the cost of yarn, or 8.5 per cent of the total cost; the protective duty to cover wages should be 25.1 per cent; the compensatory duty should be 28 cents per yard, or 27.5 per cent; and the total duty should be 52.6 per cent; the present duty is 106 per cent, an excess of 54 per cent.

Sample No. 4, without going through the samples in detail, carries an excess of 56 per cent.

Sample No. 5, an excess duty as shown by an analysis of 49 per cent.

NO WONDER THE CLARK REPORT IS ATTACKED.

Do Senators marvel that these overprotected industries complain about the report of Mr. Clark? Mr. Clark is a trained scientist. He went into this investigation with no prejudice against the manufacturers. He is an American citizen. He was sent out by this Government to make a thoroughgoing and impartial investigation, and can anyone, for a moment, believe that he would bring back anything to this country that was not in accordance with his best understanding and best judgment, and if he did err in any respect that he would err against this country?

Mr. President, with this testimony before or accessible to the Finance Committee, having been presented by Mr. Clark to the Ways and Means Committee, it is almost inconceivable that

this Schedule K could have been passed over without a complete revision. The only possible excuse is that it is a very intricate schedule. It appears through nearly all the tariff legislation since this schedule was adopted, that no committee has had the courage to undertake its reconstruction upon a thoroughgoing scientific basis. In a way that may be some extenuation for the Finance Committee, but, Mr. President, we are not called upon to rush through a piece of legislation within any given time. The tariff question is of as much importance to this Nation as any nation in the world, and there is no other civilized power of any standing that would enact legislation as we are proceeding with this bill.

I directed attention to the fact a few days ago that France took two years to investigate this subject before a bill was presented to its Parliament. A committee of 32 members was put in charge, divided into sections, each given a separate schedule, and put in charge of a thoroughgoing investigation in preparation for legislation.

UP AGAINST A STONE WALL.

You know, Mr. President, every one of us knows, what we have been asked to do. It is next to an impossibility for any man to inform himself about this bill. This bill, put through the House under a special rule after a few weeks' investigation by the committee in charge, was brought into this Chamber, and in forty-eight hours, by the mandate of the chairman of the Finance Committee, we were compelled to begin its consideration by paragraphs for amendment. Yet we are all held responsible for the hasty judgment that we are compelled to form on this floor, without any detailed information.

We are up against a stone wall. It makes no difference what it provides or fails to provide, the legislation reported by the committee will go through. The system of making up committees insures that. It places all legislative power in the hands of a few men. I protest against it as a wrongful use of power, and shall continue to protest against it here and elsewhere as a violation of the fundamental principles of representative government.

Mr. President, allow me to read a recapitulation of these eight samples: On the first sample, omitting the fractions, the excess of duty is 54 per cent; on the second sample the excess of duty is 52 per cent; on the third sample it is 54 per cent; on the fourth sample 56 per cent; on the fifth sample 49 per cent; sixth sample 44 per cent; seventh sample 63 per cent; eighth sample 55 per cent; and on an average of all these samples there is an excess of duty of 53.8 per cent.

Mark you, these facts are presented here, I repeat, not upon biased and prejudiced testimony secured from among the beneficiaries of the excessive rates, but on the testimony of disinterested men employed by this Government to get truthful information. These facts are not presented by me to break down the protection system, but as a staunch advocate of maintaining it on a rational basis—a better friend, if I may say so, than those who insist on maintaining such excessive duties as to discredit the system and ultimately destroy it.

Now, Mr. President, I am not going to take the time of the Senate to go through all these samples. They all prove the same thing, and the proof of the iniquities of Schedule K is so overwhelming as to make it difficult, indeed, to believe that even the Senator from Rhode Island will not permit some revision in behalf of the woolgrower and consumer.

Mr. President, I have ready to lay before Senators a table which takes account of every increase. That table will be printed and put upon the desks of Senators within twenty-four hours, giving the increases and decreases exactly as they were at the time this bill was reported. If I can enlist sufficient expert help, I will have every amendment that has been adopted incorporated as a correction in that table when this bill is ready to go to a vote, so that Senators will have a revised statement of increases and decreases correctly figured according to the approved methods of the Bureau of Statistics, not counting so many decreases against so many increases—that is folly—but computed by "weighted averages," as it is termed, so that Members of this body and the country shall have full opportunity to know what changes from present rates are really made in this bill.

And now, Mr. President, I have some amendments which I propose to present. I shall offer them later, when the general debate upon this schedule is closed and the paragraphs taken up for amendment. If adopted my amendments will completely revise this schedule, reducing duties to a just compensatory and protective basis.

Mr. President, I ask permission to print in the RECORD the tables of Mr. Clark's report in full without taking the time of the Senate to read them to-night.

The PRESIDING OFFICER (Mr. GALLINGER in the chair). Without objection, the order will be made.

The matter referred to is as follows:

Sample No. 2.—Fancy worsted suiting.

[1,056 yards, medium quality; weight per square yard, 11.8 ounces; threads per inch in warp 45, filling 48; grade, dark gray botany No. 64 at 66 cents; No. 64 at 74 cents; yarn, 1,370 pounds, 2/20s.]

	Yarn.	Interest and depreciation.	Repairs.	Rent.	Gas, etc.
Material.....	\$908.20				
Office expense.....			\$0.36	\$0.18	\$0.18
Discounts, terms, etc.....		\$27.40			
Warehouse.....				3.12	1.72
Patterns.....				.16	.06
Weaving.....		12.36	3.30	4.80	4.94
Mending.....				1.20	1.20
Finishing and dyeing.....		6.30	1.08	3.72	3.12
Total.....	908.20	46.06	4.38	13.36	11.22

	Power.	Supplies.	Wages.	Salaries.	Total.
Material.....					\$908.20
Office expense.....		\$0.12	\$20.82	\$0.12	21.60
Discounts, terms, etc.....					27.40
Warehouse.....		1.56	3.12	21.68	31.20
Patterns.....		.72	16.58	3.28	20.80
Weaving.....	\$4.12	1.38	86.40	19.90	137.20
Mending.....			21.60		24.00
Finishing and dyeing.....	6.48	8.10	30.48	72	60.00
Total.....	10.60	11.88	179.00	45.70	1,230.40

Cost per yard, 58 inches, \$1.165.

Cost of yarn, \$908.20 = 74 per cent of the cost of finished goods (cloth).
 Cost per running yard, 58 inches..... \$1.165
 Weight per square yard..... ounces..... 11.8
 Weight per yard, 58 inches..... do..... 18.998

Compensatory duty per running yard at 44 cents per pound..... cents..... 52.228
 Protective duty at 55 per cent ad valorem..... do..... 64.075
 Total duty..... \$1.16303

(Or practically 100 per cent ad valorem.)

Wages, weaving..... per cent of cost..... 14.5
 Wages, spinning (12 per cent of cost of yarn)..... do..... 9
 Total wages..... do..... 23.5

Mr. LA FOLLETTE. Compensatory duty should be 22 cents per pound, or 26.1 cents per yard, equaling 24.4 per cent of cost of cloth.

Total duty should therefore be—

Protective duty..... Per cent..... 23.5
 Compensatory duty..... do..... 24.4
 Total duty..... 47.9

Making present duty, 100 per cent; excess of duty, 52.1 per cent.

Sample No. 3.—Fancy worsted and woolen suiting.

[1,056 yards; weight per square yard, 11.9 ounces; threads per inch in warp 56, filling 54; grade, botany No. 1, 60s, at 67 cents; No. 2, 60s, at 67 cents; woolen weft, at 30 cents; yarn, 570 pounds, No. 1, 2/28s; 330 pounds, No. 2/24s; 534 pounds, woolen, 2 5/8 runs.]

	Yarn.	Interest and depreciation.	Repairs.	Rent.	Gas, etc.
Material.....	\$764.28				
Office expense.....		\$19.08			
Discounts, terms, etc.....				\$0.36	\$0.18
Warehouse.....				3.12	1.70
Patterns.....				.16	.06
Weaving.....		12.36	\$3.30	4.80	4.94
Mending.....				1.20	1.22
Finishing and dyeing.....		6.30	1.08	3.72	3.12
Total.....	764.28	37.74	4.38	13.36	11.22

Sample No. 3.—Fancy worsted and woolen suiting—Continued.

	Power.	Sup- plies.	Wages.	Sal- aries.	Total.
Material.....					\$764.28
Office expense.....					19.08
Discounts, terms, etc.....		\$0.12	\$20.82	\$0.12	21.60
Warehouse.....		1.56	3.12	21.68	31.20
Patterns.....		.72	16.58	3.28	20.80
Weaving.....	\$4.12	1.38	86.40	19.90	137.20
Mending.....			21.60		24.00
Finishing and dyeing.....	6.48	8.10	30.48	.72	60.00
Total.....	10.60	11.88	179.00	45.70	1,078.16

Cost per yard, 58 inches, \$1.021.

Cost of yarn, \$764.28—71 per cent of the cost of finished goods.....	\$1.021
Cost per running yard, 58-inch.....	11.9
Weight per square yard.....	19.159
Weight per running yard, 58-inch.....	52.668
Compensatory duty per running yard, at 44 cents per pound, cents.....	56.155
Protective duty, at 55 per cent ad valorem.....	1.09

Total duty.....

Or 106.6 per cent ad valorem.

Wages, weaving.....	16.6
Wages, spinning, 12 per cent of cost of yarn.....	8.5
Protective duty, to cover wages, should be.....	25.1
Compensatory duty should be 28.078 cents per yard.....	27.5

Total duty should be.....

Present duty 106.6 per cent. Excess of duty 54 per cent.

Sample No. 4.—Piece dyed indigo suiting.

[1,056 yards; weight per square yard, 14 ounces; threads per inch in warp 44, filling 48; grade, botany No. 80, at 66 cents; yarn, 1,500 pounds, 2/20s.]

	Yarn.	Interest and deprecia- tion.	Re- pairs.	Rent.	Gas, etc.
Material.....	\$990.00				
Office expense.....				\$0.36	\$0.18
Discounts, terms, etc.....		\$30.00			
Warehouse.....				3.12	1.72
Patterns.....					
Weaving.....		9.84	\$2.64	3.84	3.90
Mending.....				1.20	1.20
Finishing and dyeing.....		15.12	2.56	8.90	7.50
Total.....	990.00	54.96	5.20	17.42	14.50

	Power.	Sup- plies.	Wages.	Sal- aries.	Total.
Material.....					\$990.00
Office expense.....		\$0.12	\$20.82	\$0.12	21.60
Discounts, terms, etc.....					30.00
Warehouse.....		1.56	3.12	21.68	31.20
Patterns.....					
Weaving.....	\$3.26	1.10	69.12	15.98	109.68
Mending.....			21.60		24.00
Finishing and dyeing.....	15.60	141.84	72.48		264.00
Total.....	18.86	144.62	187.14	37.78	1,470.48

Cost per yard, 58 inches, \$1.392.

Cost of yarn, \$990—67 per cent of cost of finished goods.....	\$1.392
Cost per running yard 58 inches.....	14
Weight per square yard.....	22.54
Weight per running yard.....	

Compensatory duty, per running yard, at 44 cents per pound, cents.....	61.996
Protective duty, at 55 per cent ad valorem.....	76.560

Total duty.....

Or 99.5 per cent ad valorem.

Wages, weaving.....	12.7
Wages, spinning (12 per cent of cost of yarn).....	8.0

Protective duty to cover wages should be.....	20.7
Compensatory duty should be 30.993 cents per yard.....	22.2

Total duty should be.....

Present duty, 99.5 per cent; excess of duty, 56.6 per cent.

Sample No. 5.—Wool-dyed indigo suiting.

[1,056 yards; weight per square yard, 9.8 ounces; threads per inch in warp 48, filling 48; grade, botany worsted No. 70, at 80 cents per pound; yarn, 1,180 pounds, 2/24s.]

	Yarn.	Interest and deprecia- tion.	Re- pairs.	Rent.	Gas, etc.
Material.....	\$944.00				
Office expense.....				\$0.36	\$0.18
Discounts, terms, etc.....		\$31.20			
Warehouse.....				3.12	1.72
Patterns.....				.16	.06
Weaving.....		10.44	\$2.78	4.08	4.20
Mending.....				1.20	1.20
Finishing and dyeing.....		10.08	1.76	5.96	5.00
Total.....	944.00	51.72	4.54	14.88	12.36

	Power.	Sup- plies.	Wages.	Sal- aries.	Total.
Material.....					\$944.00
Office expense.....		\$0.12	\$20.82	\$0.12	21.60
Discounts, terms, etc.....					31.20
Warehouse.....		1.56	3.12	21.68	31.20
Patterns.....		.72	16.58	3.28	20.80
Weaving.....	\$3.48	1.16	73.20	16.66	116.00
Mending.....			21.60		24.00
Finishing and dyeing.....	10.36	12.96	48.60	1.28	96.00
Total.....	13.84	16.52	183.92	43.02	1,284.80

Cost per yard, 58 inches, \$1.216.

Cost of yarn, \$944—73.5 per cent of cost of finished goods.....	1.216
Cost per running yard, 58-inch.....	9.8
Weight of square yard.....	15.778
Weight of running yard, 58-inch.....	43.384
Compensatory duty per running yard, at rate of 44 cents per pound.....	66.88
Protective duty, at rate of 55 per cent ad valorem.....	\$1.10264

Total duty.....

Or 90.7 per cent ad valorem.

Wages, weaving.....	14.3
Wages, spinning, 12 per cent of cost of yarn.....	8.8

Protective duty, to cover wages, should be.....	23.1
Compensatory duty should be 21.692 cents, or.....	17.8

Total duty should be.....

Present duty, 90.7 per cent. Excess of duty, 49.6 per cent.

Sample No. 6.—Wool dyed indigo suiting.

[1,056 yards; weight per square yard, 9.8 ounces; threads per inch in warp, 48, filling 48; grade, botany worsted (white) No. 70, at 68 cents (black) No. 70, at 63 cents; white spun silk, at \$3; yarn, 500 pounds, 2/28s; 25 pounds, 10/4s silk.]

	Yarn.	Interest and deprecia- tion.	Re- pairs.	Rent.	Gas, etc.
Material.....	\$415.00				
Office expense.....				\$0.36	\$0.18
Discounts, terms, etc.....		\$33.60			
Warehouse.....				3.12	1.72
Patterns.....				.44	.44
Weaving.....		15.96	\$4.26	6.24	6.36
Mending.....				1.20	1.20
Finishing and dyeing.....		10.08	1.76	5.96	5.00
Total.....	415.00	59.64	6.02	17.32	14.90

	Power.	Sup- plies.	Wages.	Sal- aries.	Total.
Material.....					\$415.00
Office expense.....		\$0.12	\$20.82	\$0.12	21.60
Discounts, terms, etc.....					33.60
Warehouse.....		1.56	3.12	69.68	79.20
Patterns.....		2.00	46.08	8.64	57.60
Weaving.....	\$5.34	1.78	109.44	28.22	177.60
Mending.....			21.60		24.00
Finishing and dyeing.....	10.36	12.96	48.60	1.28	96.00
Total.....	15.70	18.42	249.66	107.94	904.60

Cost per yard, 58 inches, \$0.856.

Cost of yarn, \$415=46 per cent of cost of finished goods.
 Cost per running yard, 58 inches.....cents..... 85.6
 Weight per square yard.....ounces..... 8.8
 Weight per running yard, 58 inches.....do..... 14.168

Compensatory duty per running yard, at rate of 44 cents
 per pound.....cents..... 38.962
 Protective duty, at rate of 35 per cent ad valorem.....do..... 47.08

Total duty.....do..... 86.042

Or 100.5 per cent ad valorem.

Wages, weaving.....per cent of cost..... 27.6
 Wages, spinning (12 per cent of cost of yarn).....per cent..... 5.5

Protective duty to cover wages should be.....do..... 33.1
 Compensatory duty should be 19.481 cents per yard.....do..... 22.7

Total duty should be.....do..... 55.8
 Present duty 100.5 per cent excess of duty.....do..... 44.7

Sample No. 7.—Fancy tweed, low quality.

[1,056 yards; weight per square yard, 11.9 ounces; threads per inch
 in warp 36, filling 32; grade, woolen blend at 20 cents, cotton yarn
 at 22 cents, worsted yarn and twist at 56 cents; material 1,310
 pounds, woolen blend, 250 pounds, 1/20s., 60 pounds, 2/14s.]

	Yarn.	Interest and de- precia- tion.	Re- pairs.	Rent.	Gas, etc.
Material.....	\$350.62				
Office expense.....					
Discounts, terms, etc.....		\$3.72		\$0.18	\$0.10
Warehouse.....				1.52	.76
Patterns.....				.08	.08
Weaving.....		8.20	\$2.20	3.20	3.52
Mending.....				.60	.60
Finishing and dyeing.....		5.04	.86	2.98	2.50
Carding, spinning, and twisting.....		19.80	1.48	7.44	5.72
Total.....	350.62	36.76	4.54	16.00	13.28

	Power.	Sup- plies.	Wages.	Sal- aries.	Total.
Material.....					\$350.62
Office expense.....					
Discounts, terms, etc.....		\$0.06	\$11.60	\$0.06	15.72
Warehouse.....	\$0.08	.76	10.56	1.52	15.20
Patterns.....		.42	9.60	1.82	12.00
Weaving.....	2.74	.10	57.60	13.64	91.20
Mending.....			10.80		12.00
Finishing and dyeing.....	5.18	6.48	24.36	.60	48.00
Carding, spinning, and twisting.....	9.70	4.64	27.68	7.54	84.00
Total.....	17.70	12.46	152.20	25.18	628.74

Cost per yard, 58-inch, 59.5 cents.

Cost of yarn, 56 per cent of cost of finished goods.
 Cost per running yard, 58 inches.....cents..... 59.5
 Weight per square yard.....ounces..... 11.9
 Weight per running yard, 58 inches.....do..... 19.159

Compensatory duty per running yard, at rate of 44 cents
 per pound.....cents..... 52.668
 Protective duty at 50 per cent ad valorem.....do..... 29.75

Total duty.....do..... 82.418

Or 138.5 per cent ad valorem.

Wages, weaving.....per cent of cost..... 24.2
 Wages, spinning (12 per cent cost of yarn).....per cent..... 6.7

Protective duty to cover wages should be.....per cent..... 30.9
 Compensatory duty should be 26.334 cents per yard or.....do..... 44.2

Total duty should be.....do..... 75.1
 Present duty, 138.5 per cent; excess of duty.....do..... 63.4

Sample No. 8.—Fancy fine woolen overcoating.

[1,056 yards; weight per square yard, 11.9 ounces; threads per inch
 in warp 60, filling 60; grade, fine Saxony woolen blend, at 56 cents;
 wool, 1,420 pounds.]

	Yarn.	Interest and de- precia- tion.	Re- pairs.	Rent.	Gas, etc.
Material.....	\$795.20				
Office expense.....		\$33.60		\$0.86	\$0.18
Discounts, terms, etc.....					
Warehouse.....				3.12	1.72
Patterns.....				.44	.24
Weaving.....		17.28	\$4.60	6.72	6.90
Mending.....				1.20	
Finishing and dyeing.....		12.60	2.16	7.44	6.24
Carding and spinning.....		34.80	2.40	13.10	10.08
Total.....	795.20	98.28	9.16	32.88	25.36

Sample No. 8.—Fancy fine woolen overcoating—Continued.

	Power.	Sup- plies.	Wages.	Sal- aries.	Total.
Material.....					\$705.20
Office expense.....		\$0.12	\$20.82	\$0.12	55.20
Discounts, terms, etc.....					
Warehouse.....		1.56	3.12	21.68	31.20
Patterns.....		2.00	46.08	8.64	57.40
Weaving.....	\$5.76	1.92	120.48	28.34	192.00
Mending.....			21.60		22.80
Finishing and dyeing.....	12.96	16.20	60.96	1.44	120.00
Carding and spinning.....	17.04	8.16	48.60	11.86	146.04
Total.....	35.76	29.96	321.66	72.08	1,419.84

Cost per yard, 58-inch, \$1.344.

Cost of yarn, 56 per cent of cost of finished goods.
 Cost per running yard, 58 inches.....cents..... \$1.344
 Weight per square yard.....ounces..... 11.9
 Weight per running yard, 58 inches.....do..... 19.159

Compensatory duty per running yard, at 44 cents per
 pound.....cents..... 52.668
 Protective duty, at 55 per cent ad valorem.....do..... 73.92

Total duty.....do..... \$1.26588

Or 94.2 per cent ad valorem.

Wages, weaving.....per cent ad valorem..... 22.7
 Wages, spinning (12 per cent of cost of yarn).....per cent..... 6.7

Protective duty to cover wages should be.....do..... 29.4
 Compensatory duty should be 26.334 cents per yard.....do..... 19.6

Total duty should be.....do..... 39.0
 Present duty, 94.2 per cent; excess of duty.....do..... 55.2

Mr. LA FOLLETTE. Mr. President, may I inquire of some one who is authorized to speak for the Finance Committee whether it is proposed to take any votes to-night? I have some amendments which I desire to submit, and upon which I have something which I should like to say. I would naturally prefer to say it in connection with the amendments at the time they are presented and to be voted upon, and if I could do that I would like to do so. It is now 10.20, and if there is some one here authorized to speak for the Finance Committee, I should like to know if an adjournment could be taken at this time, so that I might offer my amendments and the observations which I have to make with respect to them at the session to-morrow morning.

Mr. FLINT. The chairman of the Finance Committee is absent just now, but he will be in the Chamber in a moment, and I will confer with him in reference to an adjournment.

Mr. OVERMAN. In the meantime, I suggest the want of a quorum.

The PRESIDING OFFICER (Mr. GALLINGER in the chair). The Secretary will call the roll.

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

Aldrich	Clark, Wyo.	Foster	Page
Bacon	Clarke, Ark.	Gallinger	Penrose
Bailey	Clay	Gamble	Perkins
Beveridge	Crane	Gore	Rayner
Bradley	Crawford	Guggenheim	Root
Brandee	Culbertson	Heyburn	Scott
Briggs	Cullom	Hughes	Smith, Mich.
Bristow	Cummings	Johnston, Ala.	Smoot
Brown	Curtis	Kean	Stephenson
Bulkeley	Davis	La Follette	Stone
Burkett	Depew	Lodge	Taliaferro
Burnham	Dick	McCumber	Warner
Burrows	Dillingham	McLaurin	Warren
Burton	Dolliver	Martin	Wetmore
Carter	du Pont	Money	
Chamberlain	Fletcher	Nelson	
Clapp	Flint	Overman	

The PRESIDING OFFICER. Sixty-five Senators have answered to their names. A quorum of the Senate is present.

Mr. ALDRICH. I understand that the Senator from Wisconsin prefers to have the matter go over until to-morrow morning, that he may present some amendments.

Mr. LA FOLLETTE. It is pretty nearly adjournment time, and I would rather not undertake to present my amendments to-night, if it is the intention of the Senator from Rhode Island to adjourn.

Mr. ALDRICH. I move that the Senate adjourn.

The motion was agreed to, and (at 10 o'clock and 25 minutes p. m.) the Senate adjourned until to-morrow, Thursday, June 10, 1909, at 10.30 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate June 9, 1909.

REGISTER OF THE LAND OFFICE.

William S. McLain, of Presheo, S. Dak., to be register of the land office at Bellefourche, S. Dak., a newly created office by act of Congress approved February 6, 1909.

APPOINTMENTS IN THE ARMY.

MEDICAL CORPS.

With rank of first lieutenant.

Henry Clay Coburn, jr., May 23, 1909, vice First Lieut. James Carroll, assistant surgeon, appointed surgeon with the rank of major March 2, 1907.

Arnold Dwight Tuttle, May 24, 1909, vice Capt. James M. Kennedy, assistant surgeon, promoted March 20, 1907.

John Brockenbrough Harvie Waring, May 24, 1909, vice Capt. Deane C. Howard, assistant surgeon, promoted April 24, 1907.

William Richard Dear, May 25, 1909, vice Capt. William H. Wilson, assistant surgeon, promoted May 10, 1907.

Charles Edward Doerr, May 25, 1909, vice First Lieut. Robert Smart, assistant surgeon, honorably discharged June 29, 1907.

Daniel Parker Card, May 26, 1909, vice Capt. John R. Devreux, assistant surgeon, resigned June 30, 1907.

Ralph Harvard Goldthwaite, May 26, 1909, vice Capt. Samuel L. Steer, assistant surgeon, resigned July 3, 1907.

Frederick Starr Wright, May 26, 1909, vice Capt. Samuel E. Lambert, assistant surgeon, resigned July 27, 1907.

Daniel Warwick Harmon, May 27, 1909, vice First Lieut. Harold W. Cowper, assistant surgeon, resigned March 18, 1908.

James Carre Magee, May 27, 1909, vice Capt. Charles E. B. Flagg, assistant surgeon, promoted March 31, 1908.

Corydon Goodrich Snow, May 27, 1909, vice Capt. William F. Lewis, assistant surgeon, promoted April 10, 1908.

Norman Lincoln McDiarmid, May 28, 1909, vice Capt. Thomas S. Bratton, assistant surgeon, promoted April 15, 1908.

Clarence Albert Treuholtz, May 28, 1909, vice Capt. Thomas J. Kirkpatrick, assistant surgeon, promoted April 22, 1908.

Eben Clayton Hill, May 29, 1909, to fill an original vacancy.

George Hudson McLellan, May 29, 1909, to fill an original vacancy.

Alexander Dwight Parce, May 30, 1909, to fill an original vacancy.

James Arthur Wilson, May 30, 1909, to fill an original vacancy.

Armin Mueller, May 31, 1909, to fill an original vacancy.

Thomas James Leary, May 31, 1909, to fill an original vacancy.

Morrison Clay Stayer, May 31, 1909, to fill an original vacancy.

Robert William Kerr, June 1, 1909, to fill an original vacancy.

Lee Roy Dunbar, June 2, 1909, to fill an original vacancy.

Leon Connallin Garcia, June 2, 1909, to fill an original vacancy.

William Stephens Shields, June 2, 1909, to fill an original vacancy.

Addison Dimmitt Davis, June 2, 1909, to fill an original vacancy.

William Hope Smith, June 3, 1909, to fill an original vacancy.

Clarence Elmer Fronk, June 3, 1909, to fill an original vacancy.

Rozier Clagett Bayly, June 4, 1909, to fill an original vacancy.

George Dawson Heath, jr., June 4, 1909, vice Capt. John H. Stone, Medical Corps, promoted April 23, 1908.

CHAPLAIN.

Rev. Robert R. Fleming, jr., of Illinois, to be chaplain, with the rank of first lieutenant from April 20, 1909, vice Wilkinson, resigned.

PROMOTIONS IN THE ARMY.

INFANTRY ARM.

Lieut. Col. Arthur Williams, Fifteenth Infantry, to be colonel from June 5, 1909, vice Col. Richard T. Yeatman, Eleventh Infantry, appointed brigadier-general.

Maj. Hunter Liggett, Thirteenth Infantry, to be lieutenant-colonel from June 5, 1909, vice Lieut. Col. Arthur Williams, Fifteenth Infantry, promoted.

Capt. Frank L. Winn, Twelfth Infantry, to be major from June 5, 1909, vice Maj. Hunter Liggett, Thirteenth Infantry, promoted.

First Lieut. Will H. Point, Twenty-ninth Infantry, to be captain from May 12, 1909, vice Capt. George C. Martin, Sixth Infantry, retired from active service on that date.

Second Lieut. Joseph M. Cummins, Eighteenth Infantry, to be first lieutenant from May 12, 1909, vice First Lieut. Will H. Point, Twenty-ninth Infantry, promoted.

PROMOTIONS IN THE NAVY.

Midshipmen to be ensigns in the navy from the 7th day of June, 1909, to fill vacancies existing in that grade on that date:

Richard S. Galloway,

Clarence N. Hincamp,

Edgar A. Ewing,
Riley F. McConnell,
Joseph W. Jewell,
Ralph R. Stewart,
Robert L. Montgomery,
Charles E. Hovey,
Ralph C. Parker,
Ezra G. Allen,
Emanuel A. Lofquist,
Jere H. Brooks,
Henry C. Gearing, jr.,
Elmer W. Tod,
Thaddeus A. Thomson, jr.,
Virginius E. Clark,
George W. Simpson,
Reuben R. Smith,
Homer H. Norton,
Alfred H. Miles,
Reginald E. Gillmor,
Carl C. Krakow,
James Parker, jr.,
Charles F. Pousland,
John F. Cox,
Grattan C. Dichman,
Harry A. McClure,
Louis J. Gulliver,
Cortlandt C. Baughman,
Richard B. Coffman,
Jonas H. Ingram,
Emory F. Clement,
Robert E. Gross,
Patrick N. L. Bellinger,
William T. Mullison,
Philip O. Griffiths,
Newton H. White, jr.,
Burton A. Strait,
Herbert A. Jones,
Samuel A. Clement, and
Richard F. Bernard.

First Lieut. William E. Smith, United States Marine Corps, to be a captain in the Marine Corps from the 16th day of January, 1909, vice Capt. George C. Reid, promoted.

The following-named machinists to be chief machinists in the navy from the 3d day of March, 1909, after the completion of six years' service in present grade, in accordance with the provisions of an act of Congress approved March 3, 1909:

James H. Morrison,
Edward A. Manck,
Thomas O'Donnell,
Arthur Cottrell,
Kellum D. Grant, and
Ellwood W. Andrews.

POSTMASTERS.

KANSAS.

Griffith R. Hughes to be postmaster at Fort Scott, Kans., in place of Orlando A. Cheney, deceased.

MASSACHUSETTS.

Arthur W. Alden to be postmaster at Randolph, Mass., in place of Herbert A. Howard, resigned.

MICHIGAN.

Robert E. Newville to be postmaster at Boyne City (late Boyne), Mich., in place of Robert E. Newville; to change name of office.

MINNESOTA.

Grace M. Henderson to be postmaster at Verndale, Minn., in place of Henry M. Henderson, deceased.

OHIO.

Frank A. Chatfield to be postmaster at Bloomville, Ohio. Office became presidential January 1, 1908.

RHODE ISLAND.

William H. Barclay to be postmaster at Pawtucket, R. I., in place of Almon K. Goodwin, deceased.

TEXAS.

N. C. Schlemmer to be postmaster at Austin, Tex., in place of George B. Zimpelman, deceased.

CONFIRMATIONS.

Executive nominations confirmed by the Senate June 9, 1909.

ASSISTANT ATTORNEY-GENERAL.

William R. Harr to be Assistant Attorney-General.
CONSUL.

Gebhard Willrich to be consul at Quebec, Canada.

PROMOTION IN THE ARMY.

JUDGE-ADVOCATE-GENERAL'S DEPARTMENT.

Capt. Milton F. Davis to be judge-advocate with the rank of major.

PROMOTIONS IN THE NAVY.

The following-named ensigns to be lieutenants (junior grade) in the navy:

Cleon W. Mauldin,
Chester L. Hand,
Aubrey K. Shoup, and
John J. McCracken.

The following-named lieutenants (junior grade) to be lieutenants in the navy:

Cleon W. Mauldin,
Chester L. Hand,
Aubrey K. Shoup, and
John J. McCracken.

Passed Asst. Surg. Richard B. Williams to be a surgeon in the navy.

First Lieut. Albert N. Brunzell to be a captain in the Marine Corps.

Second Lieut. Paul A. Capron to be a first lieutenant in the Marine Corps.

The following-named machinists to be chief machinists in the navy:

Charles H. Hosung,
Adam Gibson,
Charles G. Nelson,
Fred J. Korte,
Clarence M. Wingate,
Jannis V. Jacobsen,
George W. Johnson, and
Francis J. McAllister.

Carpenter Charles E. Richardson to be a chief carpenter in the navy.

POSTMASTERS.

COLORADO.

Charles W. White, at Julesburg, Colo.

ILLINOIS.

Jennie M. De Roo, at Fort Sheridan, Ill.
M. M. Hitchcock, at Berwyn, Ill.
James P. Jack, at Newton, Ill.
William W. Lowry, at Auburn, Ill.

IOWA.

Henry E. Westrope, at Corning, Iowa.

MAINE.

Fred W. Preble, at Bingham, Me.

MASSACHUSETTS.

Ralph W. Emerson, at Chelmsford, Mass.

NEW JERSEY.

Herbert C. Farrand, at Bloomfield, N. J.

NEW YORK.

Ivans Lewis Hubbard, at Bay Shore, N. Y.
Agnes M. Nolan, at Chateaugay, N. Y.

OKLAHOMA.

A. H. Holland, at Cushing, Okla.
William N. Walker, at Stillwater, Okla.

RHODE ISLAND.

William H. Barclay, at Pawtucket, R. I.

WEST VIRGINIA.

Lancey W. Dragoo, at Smithfield, W. Va.
William J. Crutcher, at Holden, W. Va.
Mary Hateley, at Follansbee, W. Va.
Frederick Moore, at Belington, W. Va.

SENATE.

THURSDAY, June 10, 1909.

The Senate met at 10.30 o'clock a. m.

Rev. Ulysses G. B. Pierce, D. D., of the city of Washington, offered the following prayer:

O God, our heavenly Father, with whom do live all the spirits of those who depart hence to labor with Thee, with tender heart we halt and hesitate to acknowledge the mystery of Thy providence. We know, alas, that in the midst of life we are in death. Open our eyes also, our Father, that we may know that in the midst of death we are in life.

For Thy servant whom Thou hast called to Thy higher labors we thank Thee, who art the giver of every good and perfect gift. Grant, we pray Thee, that his mantle of charity, of faith, and of love may in some measure fall upon all of us, that here and now in a measure we may walk like him with God. And unto Thee shall be ascribed all the glory, in life and death, now and forever more. Amen.

The Journal of yesterday's proceedings was read and approved.

PETITIONS AND MEMORIALS.

The PRESIDENT pro tempore presented a petition of the Board of Trade of Wilmington, Del., praying for the creation of a department of public works for the purpose of considering all work in connection with creating, maintaining, and lighting of the navigable waters of the country, which was referred to the Committee on Commerce.

Mr. SCOTT presented a memorial of sundry citizens of Wheeling, W. Va., remonstrating against any increase of the duty on print paper and wood pulp, as proposed in the so-called "Payne tariff bill," which was ordered to lie on the table.

Mr. ROOT presented a memorial of sundry citizens of Oswego, N. Y., remonstrating against the imposition of a duty on tea in bulk, which was ordered to lie on the table.

He also presented petitions of sundry citizens of New York, praying for the retention of the duty on print paper and wood pulp as contained in the Dingley tariff law, which were ordered to lie on the table.

He also presented petitions of sundry citizens of New York, praying that no change be made in the rate of duty imposed by the House on print paper and wood pulp, which were ordered to lie on the table.

He also presented memorials of sundry citizens of New York, remonstrating against the inclusion in the pending tariff bill of any duty on news print paper and wood pulp, which were ordered to lie on the table.

Mr. DEPEW presented petitions of sundry citizens of New York, praying for the restoration of the duty on foreign oil production, which were ordered to lie on the table.

He also presented memorials of members of the New York Times Chapel, of New York City; of members of the Quadri Color Company of New York City; of the employees of the Stereotype department of the New York World, of New York City; of the members of the Evening Telegram Chapel, of New York City; of the members of the American Press Association Stereotypers' Chapel, of New York City; of the members of Harper & Bros.' Chapel, of New York City; of the Stereotypers employed by the New York Volks-Zeitung, of New York City; and of the members of the German Herold Chapel, of New York City, remonstrating against the inclusion in the new tariff bill of any duty on news print paper and wood pulp; which were ordered to lie on the table.

He also presented a memorial of sundry photo-engravers employed by the Quadri Color Company, of New York City, N. Y., remonstrating against the adoption of the duty recommended on post cards in the new tariff bill, which was ordered to lie on the table.

Mr. BURNHAM presented a memorial of Local Union No. 30, Pulp, Sulphite, and Paper Mill Workers, of Berlin, N. H., remonstrating against any reduction of the duty on print paper and wood pulp as contained in the Dingley law, which was ordered to lie on the table.

Mr. DU PONT presented a petition of the Board of Trade of Wilmington, Del., praying for the creation of a department of public works, which was referred to the Committee on Commerce.

BILLS INTRODUCED.

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

By Mr. SCOTT:

A bill (S. 2564) for the relief of the trustees of the Baptist Church of Beckley, W. Va.; to the Committee on Claims.