Charles H. Gilhuley,
Murray S. Holloway,
William B. Stork,
Clarence R. Johnson,
Ben Smith,
William James,
Patrick Fernan,
Frank Risser,
John Bryce,
Rasmus Iversen,
Henry E. White,
Charles C. Holland,
Cornelius J. Collins,
Lee Grossenbaker, and
Daniel C. Beach.

POSTMASTERS.

COLORADO.

Mary S. Clark to be postmaster at Akron, Colo., in place of Edwin W. Clark, deceased.

INDIANA.

James E. Zook to be postmaster at Howe (late Lima), Ind., in place of James E. Zook; to change name of office.

NEBRASKA.

Walter L. Minor to be postmaster at Morrill, Nebr. Office becomes presidential July 1, 1909.

OHIO.

Alva G. Sutton to be postmaster at Attica, Ohio, in place of Alva G. Sutton. Incumbent's commission expired January 11, 1909.

Charles B. Morris to be postmaster at Columbus Grove, Ohio, in place of Charles B. Morris. Incumbent's commission expired March 4, 1908.

SOUTH DAKOTA.

Charles E. Tenney to be postmaster at Summit, S. Dak. Office became presidential January 1, 1909.

UTAH.

Clifford I. Goff to be postmaster at Midvale (late West Jordan), Utah, in place of Clifford I. Goff; to change name of office.

Albert E. Hopkinson to be postmaster at Sunnyside, Utah, in place of George H. Richards, resigned.

WISCONSIN.

Louisa Whitcomb to be postmaster at Albany, Wis. Office became presidential January 1, 1907.

CONFIRMATIONS.

Executive nominations confirmed by the Senate June 12, 1909.

REGISTERS OF THE LAND OFFICE.

W. N. Ivie to be register of the land office at Harrison, Ark.

William S. McLain to be register of the land office at Bellefourche, S. Dak.

Guy W. Caron to be register of the land office at Little Rock, Ark.

PROMOTIONS IN THE ARMY.

JUDGE-ADVOCATE-GENERAL'S DEPARTMENT.

Lieut. Col. Harvey C. Carbaugh to be judge-advocate with the rank of colonel.

Maj. Frank L. Dodds to be judge-advocate with the rank of lieutenant-colonel.

CAVALRY ARM.

First Lieut. Samuel B. Pearson to be captain.
First Lieut. Freeborn P. Holcomb to be captain.
Second Lieut. Beauford R. Camp to be first lieutenant.
Second Lieut. Seth W. Cook to be first lieutenant.
Second Lieut. Thomas B. Esty to be first lieutenant.

POSTMASTERS.

INDIANA.

William Helminger, at Bremen, Ind.
James Nejdl, at Whiting, Ind.

OHIO.

Frank G. Hoskinson, at Montpelier, Ohio.
Sylvanus P. Louys, at Stryker, Ohio.
James T. McCready, at Butler, Ohio.
De Witt C. Pemberton, at New Vienna, Ohio.
Charles B. Saxby, at Weston, Ohio.
John M. Shafer, at Edon, Ohio.
Harry M. Wolfe, at Germantown, Ohio.

OKLAHOMA.

Sid Smith, at Stilwell, Okla.

PENNSYLVANIA.

John E. McCardle, at Charleroi, Pa.
John W. Miller, at South Sharon, Pa.
George L. Thomas, at New Bethlehem, Pa.
Lily Watters, at Evans City, Pa.

TEXAS.

Frank L. Irwin, at Terrell, Tex.

VIRGINIA.

James F. Williams, at Amherst, Va.

SENATE.

MONDAY, *June 14, 1909.*

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

Prayer by Rev. John Lee Allison, D. D., of the city of Washington.

The Journal of the proceedings of Saturday last was read and approved.

SUITS AFFECTING INDIAN ALLOTMENTS IN OKLAHOMA.

The VICE-PRESIDENT laid before the Senate a communication from the Attorney-General, transmitting in response to a resolution of March 3, 1909, certain information with respect to suits instituted by the United States since May 27, 1908, against various persons in the eastern district of Oklahoma to enforce restrictions upon the alienation of lands of the allottees of the Five Civilized Tribes (S. Doc. No. 89), which was referred to the Committee on the Judiciary and ordered to be printed.

EXECUTIVE SESSION.

Mr. WARREN. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

PETITIONS AND MEMORIALS.

Mr. NELSON. I present resolutions adopted by the Minnesota Bankers' Association which I ask may be printed in the RECORD, without reading, and referred to the Committee on Finance.

There being no objection, the resolutions were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

To the gentlemen of the Joint Bankers' Association of Group 1, of Minnesota, and Group 7, of Wisconsin:

Your committee appointed to prepare a resolution on a bill authorizing national banking associations to make loans on real estate security in certain cases, known as "bill S. 623," beg leave to report that while the bill might be changed to suit the needs of this particular locality, yet inasmuch as the bill is already before Congress and a suggestion of a change might further complicate its passage, and as we consider the bill allowing real estate loans under any conditions most advantageous, as it will serve to demonstrate that such loans are desirable; and

Whereas we believe the Comptroller can be influenced to give us proper recognition in this matter under the pending bill more easily than if the said bill were encumbered with many conditions: Therefore be it

Resolved, That we recommend the passage of this bill as introduced. And be it further

Resolved, That the secretary of each group be instructed to urge upon the Congressmen and Senators of their respective States the support of this bill. Be it further

Resolved, That the secretaries of these groups be instructed to send a copy of these resolutions to the secretaries of the respective state bankers' associations and request them to lay it before their committee on resolutions at the proper time.

JOSEPH BOSCHERT.
A. C. GOODING.
L. WHITMORE.

Mr. LA FOLLETTE. I present a joint resolution of the legislature of Wisconsin, which I ask may be read and referred to the Committee on Interstate Commerce.

There being no objection, the joint resolution was read and referred to the Committee on Interstate Commerce, 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.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Mr. LA FOLLETTE. I present a joint resolution of the legislature of Wisconsin, which I ask may be read and referred to the Committee on Agriculture and Forestry.

There being no objection, the joint resolution was read and referred to the Committee on Agriculture and Forestry, 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. LA FOLLETTE. I present a petition of sundry citizens of Berlin, Wis., relative to the reduction of the duty on cotton goods and other necessities of life. I ask that the petition be printed in the RECORD without reading.

There being no objection, the petition was ordered to lie on the table and be printed in the RECORD, as follows:

Sent by George W. Croffman, Berlin, Wis.

To our Wisconsin Senators at Washington:

We, the undersigned citizens of Berlin, Wis., and vicinity, do respectfully petition you to use your entire influence against any attempt to increase the duty on cotton goods and the other necessities of life. We believe that the wish of the American people for a downward revision of the tariffs, so emphatically expressed at our last national election, should be heeded and complied with.

Mrs. Bertha Bassett, Berlin, Wis.; Mrs. L. T. Hodgkins, Berlin, Wis.; Mrs. L. C. Smith, Berlin, Wis.; Mrs. O. Ludwig, Berlin, Wis.; Miss Freda Zimmer, Berlin, Wis.; Mrs. R. Bertram, Berlin, Wis.; Mrs. H. Le Roy, Berlin, Wis.; Mrs. J. Fuller, Berlin, Wis.; Miss Clara Piekarski, Berlin, Wis.; Carrie R. Garner, Berlin, Wis.; Mrs. M. Murphy, Berlin, Wis.; Mrs. Jno. Crommings, Berlin, Wis.; Mrs. E. T. Winkel, Berlin, Wis.; Mrs. L. E. Wilson, Berlin, Wis.; Mrs. O. L. Wolfe, Auroraville, Wis., Ina Angle, Berlin, Wis.; Elizabeth Doyle, Berlin, Wis.; Maud Thomas, Berlin, Wis.; Clara Kisserow, Berlin, Wis.; Martha Kisserow, Ripon, Wis.; Marguerite Jenkins; Mrs. I. Jenkins; Margaret A. Franie, Berlin, Wis.; Mrs. T. W. Gales, Berlin, Wis.; Thomas W. Gales, Berlin, Wis.; Fannie Hale; Mrs. E. E. Trowe; Mrs. W. Spencer; Mrs. T. S. Bassett, Berlin, Wis.; Mrs. H. S. Bassett, Berlin, Wis.; Mabel Connolly, Berlin, Wis.; Mrs. Martin Kileen, Berlin, Wis.; Mrs. Thomas Davlin, Berlin, Wis.; Mrs. J. C. Gogin, Redlands, Cal.; Mrs. J. F. Dolliver, Berlin, Wis.; Mrs. W. H. Sexton, Neshkoro, Wis.; Mrs. Con O'Brien; Miss Gertrude Thomas, Auroraville; Mrs. Peter Thomas, Auroraville; J. E. Starling, Berlin, Wis.; Mrs. C. Dies, Berlin, Wis.; Mrs. E. Hardy, Berlin, Wis.; Miss A. Bush, Berlin, Wis.; Mrs. M. Safford, Berlin, Wis.; Mrs. H. Sackett, Berlin, Wis.; Miss Alice Krebs, Berlin, Wis.; Mrs. Mary Krebs, Berlin, Wis.; Mrs. Stillman Wright, Berlin, Wis.; Mrs. Mary A. Clark; Mrs. J. Brace, Berlin, Wis.; Mrs. P. Wellner, Oshkosh, Wis.; Mrs. A. McCallum, Berlin, Wis.; Mrs. Chas. Gibberd, Berlin, Wis.; Miss Lottie Banis, Berlin, Wis.; Mrs. Frank L. Wilson, Berlin, Wis.; Mrs. Martha E. Kenyon, Berlin, Wis.; Mrs. G. E. McIntyre; Mrs. Wm. Elmer, Berlin, Wis.; Mrs. Edw. Deibley, Berlin, Wis.

Mr. PERKINS presented memorials from the San Francisco, (Cal.) sale agents of the American Sheet and Tin Plate Company, the American Steel and Wire Company, and the Carnegie Steel Company, remonstrating against the proposed duty on structural steel, which were ordered to lie on the table.

He also presented a petition of the board of park commissioners of San Francisco, Cal., praying for the enactment of legislation authorizing the Secretary of the Treasury to erect a suitable building or buildings for marine-hospital purposes on the present marine-hospital site at San Francisco, Cal., and to remove all or any of the present structures thereon, which was referred to the Committee on Public Buildings and Grounds.

Mr. McCUMBER presented a petition of the American Society of Equity, of North Dakota, which was ordered to lie on the table and be printed in the RECORD, as follows:

Whereas the States of North Dakota, South Dakota, and Minnesota raise 93 per cent of the flax produced in this country, the seed of which only has a commercial value at the present time; and

Whereas the Department of Agriculture, in Farmers' Bulletin No. 274, says concerning the flax industry in the above-mentioned States, "Millions of tons of straw have been burned each year, much of which, in quality and length for the production of fiber, far excels the average straw from which the Russian peasant makes the fiber which chiefly supplies the linen fabrics in the world;" and

Whereas there are millions of tons of coal lying under the lands of these States, which, if it were mined and used to generate power for industrial purposes, would give these States as cheap power as can now be had in any State; and

Whereas the Fargo Forum, in an editorial in its issue of June 4, under the heading "Why not make linen?" clearly points the way in which the millions of flax straw now destroyed annually can be utilized and converted into money for the benefit of the flax grower; and

Whereas certain parties are now making arrangements to erect a linen factory in Fargo on the lines suggested in the Forum; and

Whereas all of the machinery now used in the manufacture of linen is made in England, and the import duty on such machinery is very heavy and adds much to the cost of erecting a factory for the manufacture of linen goods: Now, therefore be it

Resolved by the American Society of Equity, District No. 1, in convention assembled at Fargo this 10th day of June, That the members of this meeting do what they can to further the work of establishing linen industries in Fargo or points in these States, to the end that useless destruction of flax straw may cease, and the $40,000,000 annually burned up may be put in the pockets of the flax producer; and be it further

Resolved, That Senator McCUMBER, as a prominent member of the Finance Committee in the United States Senate, and Senator JOHNSON and our other Representatives in Congress be, and they are hereby, requested to use all diligence to secure suitable legislation to place flax-making machinery on the nondutiable list, to the end that we may do all that is possible to encourage the erection of linen mills in these States; and be it further

Resolved, That the secretary of this meeting send a copy of these resolutions to our Senators and Representatives in Congress and the daily newspapers of these States.

Mr. DEPEW presented memorials of members of the New York Evening Journal, stereotype department, of New York City; of members of the New York Press chapel, of New York City; of members of the Trow chapel, of New York City; of members of the electrotype department of the Methodist Book Concern, of New York City; of members of the New York American, stereotypers' department, of New York City; of members of the Evening World stereotype chapel, of New York City; of members of the New York Evening Sun chapel, of New York City; of members of the Stereotypers and Electrotypers' Local Union No. 20, of the Independent Stereotypers and Electrotypers' Union, of Binghamton, all in the State of New York, 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.

BILLS INTRODUCED.

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

By Mr. CULLOM (by request):

A bill (S. 2604) to pay the legal heirs of the late John A. Lynch for valuable services rendered by him as the projector and promoter of the International American Conference and the Intercontinental Railway (with the accompanying paper); to the Committee on Railroads.

By Mr. BURROWS:

A bill (S. 2605) for the relief of George Davis; to the Committee on Claims.

By Mr. BURKETT:

A bill (S. 2606) granting an increase of pension to Cyrus G. Stevens;

A bill (S. 2607) granting an increase of pension to John W. Penny; and

A bill (S. 2608) granting a pension to Sarah C. Mansfield; to the Committee on Pensions.

By Mr. DAVIS:

A bill (S. 2609) for the relief of the estate of George Byerly, deceased (with the accompanying papers);

A bill (S. 2610) for the relief of Mary A. Haney and Clarence E. Haney (with the accompanying papers);

A bill (S. 2611) for the relief of heirs or estate of Nathaniel S. Word, deceased;

A bill (S. 2612) for the relief of the heirs or estate of Jesse Hollingshead, deceased; and

A bill (S. 2613) for the relief of the heirs or estate of James S. Ford, deceased; to the Committee on Claims.

By Mr. McENERY (by request):

A bill (S. 2614) to incorporate the cult of The Aryans; to the Committee on the District of Columbia.

A bill (S. 2615) granting a pension to Frederick G. Rockel; to the Committee on Pensions.

AMENDMENTS TO THE TARIFF BILL.

Mr. BURTON submitted two amendments 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 were ordered to lie on the table and be printed.

THE TARIFF.

The VICE-PRESIDENT. The morning business is closed, 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. LODGE. Mr. President, on page 2, I wish to make the same insertion that was made in the paragraph preceding the free list, which was omitted by mistake. I move to insert after the words "except the Philippine Islands," the words "and the islands of Guam and Tituila."

Mr. BACON. What line is it?

Mr. LODGE. Line 5.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 2, line 5, after the words "Philippine Islands" and within the parentheses, insert the words "and the islands of Guam and Tituila."

The VICE-PRESIDENT. Without objection, the amendment will be agreed to.

Mr. BACON. I should like to know more about it.

Mr. LODGE. It was agreed to at the beginning of the free list. It is simply to except those two islands from the operation of this tariff act.

Mr. BULKELEY. I should like to inquire what the amendment applies to.

Mr. LODGE. It applies to the two islands of Guam and Tutuila, two small islands which are naval stations.

Mr. BULKELEY. To what sections does it apply?

Mr. LODGE. To the whole bill. It is to prevent the entire bill from applying to those two small islands, which are merely naval stations.

The VICE-PRESIDENT. The Chair hears no objection, and the amendment is agreed to.

Mr. LODGE. I ask that the clerks may have authority where that exception occurs in the bill to make the same addition.

The VICE-PRESIDENT. Is there objection to the request? The Chair hears none. Without objection, the paragraph as amended is agreed to.

Mr. ALDRICH. I ask to take up the provisions in regard to the Philippines, paragraph 471d.

Mr. BACON. I should like to inquire what direction is proposed to be given to the parts of the free list which have not yet been acted on?

Mr. ALDRICH. They are still passed over.

Mr. BACON. I suppose so. I merely desired to know if the Senator had any definite plan as to when they will be resumed.

Mr. ALDRICH. It is my purpose to take up this morning the Philippine amendment, and after that the provisions in regard to zinc.

Mr. BACON. I understood that, but I did not know whether the Senator had any——

Mr. ALDRICH. All these are passed over, and those the Senator from Georgia is interested in will not be taken up without his knowledge.

Mr. BACON. I understand that, but I wanted to know what was the programme, as I supposed the Senator had some plan in view as to when that will be resumed.

Mr. ALDRICH. It is my purpose to dispose as far as we can of all the contested questions in the dutiable schedule before we get to the free list.

Mr. BACON. I simply wanted to know what the programme is.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Rhode Island? The Chair hears no objection. The amendment of the committee to paragraph 471d will be read.

Mr. ALDRICH. The committee modifies its amendment.

The SECRETARY. In lieu of the amendment on page 189, paragraph 471d, it is proposed to insert:

471d. There shall be levied, collected, and paid upon all articles coming into the United States from the Philippine Islands the rates of duty which are required to be levied, collected, and paid upon like articles imported from foreign countries: *Provided*, That all articles, the growth, product, or manufacture of the Philippine Islands, upon which no drawback of customs duties has been allowed therein, coming into the United States from the Philippine Islands shall hereafter be admitted free of duty, except rice, and except, in any fiscal year, sugar in excess of 300,000 gross tons, wrapper tobacco and filler tobacco when mixed or packed with more than 15 per cent of wrapper tobacco in excess of 300,000 pounds, filler tobacco in excess of 1,500,000 pounds, and cigars in excess of 150,000,000 cigars, which quantities shall be determined by the Secretary of the Treasury under such rules and regulations as he shall prescribe: *And provided further*, That sugar, refined or unrefined, and tobacco, manufactured or unmanufactured, imported into the Philippine Islands from foreign countries, shall not pay less rates of import duty therein than the rates of import duty imposed upon sugar and tobacco in like forms when imported into the United States: *And provided further*, That, under rules and regulations to be prescribed by the Secretary of the Treasury, preference in the right of free entry of sugar to be imported into the United States from the Philippine Islands, as provided herein, first, to the producers of less than 500 gross tons in any fiscal year, then to producers of the lowest output in excess of 500 tons in any fiscal year: *Provided, however*, That in consideration of the exemptions aforesaid, all articles, the growth, product, or manufacture of the United States, upon which no drawback of customs duties has been allowed therein, shall be admitted to the Philippine Islands from the United States free of duty: *And provided further*, That the free admission, herein provided, of such articles, the growth, product, or manufacture of the United States, into the Philippine Islands, or of the growth, product, or manufacture of the Philippine Islands into the United States, shall be conditioned upon the shipment thereof upon through bills of lading from the country of origin to the country of destination: *Provided*, That same may be transshipped en route if discharged at the port of final destination within one year from the date of shipment, as originally packed without having been opened or in any manner changed in condition: *Provided, however*, That if such articles become unpacked while en route by accident, wreck, or other casualty, or so damaged as to necessitate their repacking, the same shall be admitted free of duty upon satisfactory proof that the unpacking occurred through accident or necessity and that the merchandise involved is the identical merchandise originally shipped from the United States or the Philippine Islands, as the case may be, and that its condition has not been changed except for such damage as may have been sustained: *And provided further*, That all articles, the growth, product, or manufacture of the Philippine Islands, admitted into the ports of the United States free of duty under the provisions of this act and shipped upon through bills of lading from said islands to the United States for use and consumption therein, shall be hereafter exempt from the payment of any export duties imposed in the Philippine Islands: *And provided further*, That there shall be levied, collected, and paid, in the United States, upon articles, goods, wares, or merchandise coming into the United States from the Philippine Islands, a tax equal to the internal-revenue tax imposed in the United States upon the like articles, goods, wares, or merchandise of domestic manufacture; such tax to be paid by internal-revenue stamp or stamps, to be provided by the Commissioner of Internal Revenue, and to be affixed in such manner and under such regulations as he, with the approval of the Secretary of the Treasury, shall prescribe; and such articles, goods, wares, or merchandise, shipped from said islands to the United States, shall be exempt from the payment of any tax imposed by the internal-revenue laws of the Philippine Islands: *And provided further*, That there shall be levied, collected, and paid, in the Philippine Islands, upon articles, goods, wares or merchandise going into the Philippine Islands from the United States, a tax equal to the internal-revenue tax imposed in the Philippine Islands upon the like articles, goods, wares, or merchandise of Philippine Islands manufacture; such tax to be paid by internal-revenue stamps or otherwise, as provided by the laws in force in the Philippine Islands, and such articles, goods, wares, or merchandise going into the Philippine Islands from the United States shall be exempt from the payment of any tax imposed by the internal-revenue laws of the United States: *And provided further*, That, in addition to the customs taxes imposed in the Philippine Islands, there shall be levied, collected, and paid therein upon articles, goods, wares, or merchandise, imported into the Philippine Islands from countries other than the United States, the internal-revenue tax imposed by the Philippine government on like articles manufactured and consumed in the Philippine Islands or shipped thereto, for consumption therein, from the United States: *And provided further*, That from and after the passage of this act all internal revenues collected in or for account of the Philippine Islands shall accrue intact to the general government thereof and be paid into the insular treasury, and shall only be allotted and paid out therefrom in accordance with future acts of the Philippine legislature, subject, however, to section 7 of the act of Congress approved July 1, 1902, entitled "An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes."

Mr. ALDRICH. In line 5, page 3, I move to strike out "one year" and insert "three months."

The VICE-PRESIDENT. The Secretary will state the modification.

The SECRETARY. On page 3 of the printed amendment, line 5, after the word "within," strike out the words "one year" and insert in lieu the words "three months."

Mr. BAILEY. Do I understand that this amendment is now before the Senate for disposition?

Mr. ALDRICH. The pending amendment is changed from one year to three months in the transshipment of hemp; that is all.

The VICE-PRESIDENT. The Senator from Rhode Island modifies the pending amendment in that particular.

Mr. BAILEY. I understand that, but I wanted to inquire if the whole amendment is before the Senate.

Mr. ALDRICH. The whole amendment is now before the Senate for consideration.

Mr. BAILEY. I have not myself been able to examine it. I rather think it is an important one.

Mr. ALDRICH. There is another mistake in the printed amendment that I should like to correct, if the Senator will permit me.

Mr. DOLLIVER. There seems to be a variation in the lining of these amendments. I find no such words in line 5 in the copy I have here.

Mr. BULKELEY. The copy I have has no such word.

Mr. ALDRICH. After the word "herein," in line 14, page 2, I move to insert the words "shall be given."

The VICE-PRESIDENT. The modification will be stated.

The SECRETARY. On page 2 of the printed amendment, line 14, after the word "herein," insert the words "shall be given."

The VICE-PRESIDENT. This is another modification of the amendment. It will be made.

Mr. BAILEY. Mr. President, while I am on the floor I simply want to make a statement to go into the RECORD.

Saturday when the vote was taken on the motion made, I believe, by the Senator from Minnesota [Mr. NELSON] to strike out the art works from the free list and to impose a duty on them, I did not vote, because I was under the impression that my pair, the Senator from West Virginia [Mr. ELKINS], was not in the Chamber. I find on examining the RECORD that he did vote. I simply want to say that, if I had known he was voting, I would have voted against leaving those works of art on the free list. I never will agree to exempt a man's pictures as long as we lay a tax on his clothes.

The VICE-PRESIDENT. The question is on agreeing to the amendment as modified.

Mr. BULKELEY. I desire to say a word at this time. I have no particular opposition to the substitution of the paragraph as just read for the paragraph 471d as in the bill.

Mr. ALDRICH. I ask that the substitution be agreed to, if it has not already been done.

The VICE-PRESIDENT. The modification of the Senator's amendment has been made, of course. The Senator has a perfect right to change his amendment.

Mr. BULKELEY. The substitution has been agreed to, I understand.

The VICE-PRESIDENT. The amendment offered by the committee is the amendment which has just been read. That is pending.

Mr. BULKELEY. It is pending. It has not been adopted.

The VICE-PRESIDENT. It has not been agreed to. It is a substitute for the former amendment by the committee; that is all.

Mr. BULKELEY. I can not permit this substitution to take place, although I shall vote for it, without stating to the Senate that I am opposed to the adoption of the paragraph itself, even if the substitute is adopted in lieu of it. I should like to inquire if an amendment to the proposed substitute is now in order?

The VICE-PRESIDENT. Certainly.

Mr. BULKELEY. The substitute proposes absolutely different legislation from what has heretofore been asked for these islands. It not only provides for the free admission of all articles the growth and product of the islands, but also of its manufactures, and not necessarily manufactures from the growth and products of the islands. In all previous legislation that has been asked in behalf of the Filipinos, and in all bills that I have been able to collect relating to the trade of the islands, it has been provided that all articles wholly the growth and product of the islands might be admitted free, and those are the recommendations that have come to the Congress from time to time from the Philippine Commission. There is interjected into this measure the words "or manufacture," referring in no manner to the growth or product of the islands, but to the manufactures of anything from any part of the world in applying the cheap labor of the Philippine Islands to the products of the whole world.

Mr. ALDRICH. The word "wholly" was left out by mistake, after the word "articles."

Mr. BULKELEY. That is just what I am criticising, and I propose, before the vote is taken even on this substitute, to suggest that in line 5, after the word "articles," the words "wholly the growth and product," and in line 6——

Mr. ALDRICH. It was left out by a typographical error.

Mr. BULKELEY. And on line 6 to add, before the word "manufacture," the word "articles," so that it will read:

Articles manufactured wholly the growth or product of the Philippine Islands.

Mr. ALDRICH. I think the Senator's purpose will be accomplished by inserting the word "wholly" before the word "the," in the fifth line. I think that that accomplishes it.

Mr. BULKELEY. It seems to me that that does not apply to the manufactures.

Mr. ALDRICH. Undoubtedly it does; "and all articles wholly the growth, product, or manufacture."

Mr. BULKELEY. My position is that, as it stands, you can bring into those islands the raw product of the world.

Mr. ALDRICH. That is not the intention of the committee.

Mr. BULKELEY. I understood at the hearing before the committee that that was not the intention, but as I read it, it provides for manufacturing in the Philippine Islands practically all the raw material of the world, which can then be sent into the United States in competition with the labor of this country. I will ask the Senator to consider my amendment, which is to insert, in line 5, the words "manufactured wholly of," so that it will read:

Articles manufactured wholly of the growth or product of the Philippine Islands.

I think it is a fair interpretation of the bill and of the substitute which is now pending that the word "wholly" does apply only to the growth and product of the islands to be admitted free, and applies in no way to the word "manufacture" in the sixth line; and that is what I should like to correct before the adoption of the substitute. I suggest that amendment. I have written it in the print I send to the desk.

Mr. LODGE. I suggest to the Senator, I think that can be worded a little better, perhaps: "Of articles wholly the growth or product of the manufactures from material wholly the growth or product."

Mr. GALLINGER. That is right.

Mr. BULKELEY. That is quite satisfactory.

Mr. ALDRICH. It was the intention of the committee to do exactly what the Senator proposes.

Mr. BULKELEY. I understood it was.

Mr. LODGE. After the word "articles," in line 5, I move to insert the word "wholly;" in the same line, after the word "growth," to insert the word "or;" and then, at the beginning of line 6, to strike out the word "manufacture" and insert "manufactured from materials wholly the growth or product."

The VICE-PRESIDENT. The Secretary will state the amendment proposed by the Senator from Massachusetts to the amendment.

The SECRETARY. In line 5, after the word "articles," it is proposed to insert the word "wholly;" in the same line, after the word "growth," to insert the word "or;" and at the beginning of line 6, to strike out the word "manufacture" and to insert the words "manufactured from materials wholly the growth or product," so that if amended it will read:

Provided, That all articles wholly the growth or product or manufactured from materials wholly the growth or product of the Philippine Islands, etc.

Mr. ROOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Connecticut yield to the Senator from New York?

Mr. BULKELEY. I do.

Mr. ROOT. Should not there be inserted there still other words, so that it will read "manufactured in the Philippine Islands from the growth or products of the islands?" Otherwise the articles might be manufactured from the growth or product of something from Hongkong or Singapore.

Mr. ALDRICH. I think that language is better.

Mr. LODGE. That is better.

Mr. BULKELEY. I accept that suggestion.

Mr. LODGE. "Manufactured in the Philippine Islands from materials wholly the growth or product of the Philippine Islands."

Mr. BULKELEY. I am only trying to get it worded properly; and I am pleased to have any suggestions.

Mr. LODGE. I think that is better.

The VICE-PRESIDENT. The Secretary will state the amendment as now presented.

The SECRETARY. As modified, the proviso will read:

Provided, That all articles wholly the growth or product or manufactured in the Philippine Islands from materials wholly the growth or product of the Philippine Islands.

The VICE-PRESIDENT. The question is on agreeing to the amendment to the amendment.

Mr. HEYBURN. The word "of" should be in there after the word "product" where it first occurs.

The SECRETARY. So that the proviso will read:

That all articles wholly the growth or product of or manufactured in the Philippine Islands, etc.

Mr. BRANDEGEE. Will my colleague yield to me for a moment?

The VICE-PRESIDENT. Does the Senator from Connecticut yield to his colleague?

Mr. BULKELEY. Certainly.

Mr. BRANDEGEE. Mr. President, I want to call the attention of the committee to this situation and to ask them what would be their construction of it: Under the language of the amendment as proposed and agreed to by the committee, supposing that cigar wrappers imported into the United States from the Philippine Islands free of duty, and there made into cigars, are reimported into the United States; then, under the language of the amendment of the committee as proposed, it seems to me that they would have to pay a duty here over again, because they would not be made wholly from the product of the Philippine Islands.

Mr. LODGE. The Senator means wrappers that are of United States growth?

Mr. BRANDEGEE. Yes; if Connecticut leaf wrappers, for instance, or Massachusetts leaf wrappers should be sent to the Philippines.

Mr. BULKELEY. I think the words "United States" should be inserted there as well as "Philippine Islands," so that it will read "wholly from the growth or product of the Philippine Islands or the United States."

Mr. BRANDEGEE. "Be of American-growth leaf tobacco."

Mr. LODGE. I see no objection to that. I think it is covered by language used in a later paragraph, but I see no objection to making it safe in that way.

Mr. BULKELEY. I do not think it is covered by the later paragraph, for I have examined the paragraph very carefully.

Mr. LODGE. There is no objection to putting those words in, "of the Philippine Islands or of the United States."

Mr. BRANDEGEE. I think that language would cover it.

Mr. LODGE. Let us do that, if there is any danger.

Mr. HEYBURN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Connecticut yield to the Senator from Idaho?

Mr. BULKELEY. Certainly.

Mr. HEYBURN. The Philippine cigars of the better grades have Connecticut wrappers.

Mr. LODGE. No.

Mr. HEYBURN. Yes.

Mr. BULKELEY. The Senator from Idaho is mistaken about that. There have never been but 3 tons of tobacco sent into the Philippine Islands, as I learned from Connecticut friends, on the suggestion of the Philippine Commission; and those 3 tons were sent there as an experiment.

Mr. HEYBURN. Mr. President, the experiment seems to have been adopted, I think. I have here a package from the Insular Bureau of cigars with a Connecticut wrapper. [Exhibiting.] The question was raised in the consideration of another bill.

Mr. BULKELEY. They are a part of the experiment. I have some of the same kind in my desk. General Edwards, who is in charge of the bureau, informed me that the commission had sent 3 tons of Connecticut wrapper leaf tobacco from Connecticut for the purpose of experimenting. He took up a box of the same character from his desk, as the Senator has in his possession, and furnished me with some of the cigars.

Mr. HEYBURN. I presume that those 3 tons made a number of cigars.

Mr. BULKELEY. They would make quite a quantity of cigars.

Mr. HEYBURN. We had this question up for responsible consideration, and this question was raised. In pursuing it, I obtained this information. In looking at this amendment it seemed to me that no proper provision was made for the use of Connecticut wrappers in manufacturing cigars in the Philippine Islands.

Mr. BULKELEY. The insertion of the words "United States," so that it would read "the growth or product of the Philippine Islands or of the United States," will provide for that.

Mr. HEYBURN. But the trouble about that is, that that includes a great many other things than tobacco and its products.

Mr. BULKELEY. I think that the language should be carefully guarded.

Mr. LODGE. Why should they not use them if they come from the United States?

Mr. BRANDEGEE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Connecticut yield to his colleague?

Mr. BULKELEY. I do.

Mr. HEYBURN. I will wait until the Senator who has the floor concludes.

Mr. BRANDEGEE. Mr. President, I should like the Secretary to state the amendment.

The VICE-PRESIDENT. The Secretary will state the amendment to the amendment as it is now proposed to read.

The SECRETARY. As modified the proviso will read:

Provided, That all articles wholly the growth or product of or manufactured in the Philippine Islands from materials wholly the growth or product of the Philippine Islands or the United States.

Mr. BRANDEGEE. Mr. President, I want to suggest to the committee, being unable to examine the amendment and it not having been reduced to writing, that it occurs to me that it should be carefully considered, and I assume time will be given for that purpose. I would suggest that the word "or" in the amendment be carefully considered as to whether it should not be "and," so that goods manufactured in the Philippine Islands wholly of the products of the islands or partly of the products of the islands and partly the products of the United States may come into this country free if any of the Philippine goods are coming in free, and not leave it in the alternative with the word "or," which might not comprehend the combination of the two.

Mr. ALDRICH. There is no reason why the word "and" should not be substituted if the Senator from Connecticut desires that it shall be.

Mr. BRANDEGEE. As I say, the amendment which has just been proposed and as it at present exists is a combination of half a dozen suggestions, and I should like the opportunity to examine it in print before it is finally perfected.

Mr. ALDRICH. The pending bill will not be finally disposed of to-day, and the Senator can examine the amendment after it shall have been adopted.

Mr. CARTER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Connecticut yield to the Senator from Montana?

Mr. BULKELEY. I do.

Mr. CARTER. I suggest that the language is such at present that if cigars are manufactured in part of Philippine tobacco and in part of Connecticut tobacco, the cigars will be dutiable here.

Mr. ALDRICH and Mr. BULKELEY. Oh, no.

Mr. CARTER. "Wholly the growth of the Philippine Islands or wholly the growth of the United States." If partly the growth of the United States and partly the growth of the Philippine Islands combined in one manufactured product, it would be subject to a duty under our legislation.

Mr. BRANDEGEE. That is just what I am afraid of, Mr. President.

Mr. BULKELEY. It may be desirable, Mr. President, in the course of this debate, to word the amendment in more precise language.

Mr. LODGE. The language is "manufactured from materials wholly the growth."

Mr. CARTER. "Wholly the growth of the Philippine Islands or wholly the growth of the United States."

Mr. LODGE. Connecticut wrapper is a material which is wholly the growth of the United States. The filler tobacco is Philippine wholly, and the products combined are manufactured—manufactured wholly from materials which came from one place or the other. "Wholly" applies to the materials, not to the result of the manufacture.

Mr. ALDRICH. Mr. President, the amendment can be adopted in this form, and then, after it is adopted, the committee will examine it and so frame it as to cover the point at issue.

Mr. BULKELEY. I take it there will be no objection, if there are found any mistakes in the wording of the amendment, to correcting them afterwards.

Mr. ALDRICH. There will be no trouble about correcting them afterwards.

Mr. BULKELEY. If this amendment is adopted, I want to call the attention of the committee to see if it is not necessary to change another provision of it.

The VICE-PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Connecticut to the amendment.

Mr. HEYBURN. Mr. President, we are moving a little rapidly. Has the Senator from Connecticut [Mr. BULKELEY] finished discussing the amendment which he has offered?

Mr. ALDRICH. The committee will take the matter in controversy into consideration and see that it is covered.

Mr. HEYBURN. I did not know that the Senator from Connecticut had yielded the floor.

Mr. BULKELEY. I have not yielded the floor.

Mr. HEYBURN. Then I do not see how it is possible to put the question until the Senator from Connecticut has yielded the floor.

The VICE-PRESIDENT. The Chair will not put the question until the Senator from Connecticut desires it put.

Mr. HEYBURN. When the Senator yields the floor; yes. But he desired to make a suggestion in regard to the amendment.

Mr. BULKELEY. I yield the floor to the Senator from Idaho, if I am at liberty to do so, though I do not know, under the rule, that I am.

The VICE-PRESIDENT. The Chair understood the Senator from Connecticut [Mr. BULKELEY] had yielded the floor for the purpose of having the question put on the amendment.

Mr. BULKELEY. That is what I did. Then I want to suggest to the committee if it will not be necessary, if that amendment shall be adopted, to make another change in the phraseology on page 3?

The VICE-PRESIDENT. The amendment has not been agreed to. Prior to a vote on the amendment, the Senator from Idaho asked for the floor to discuss the amendment.

Mr. BULKELEY. I yield to the Senator from Idaho.

Mr. HEYBURN. I asked for the floor to suggest an elaboration of the amendment, which seems to be made necessary. It would seem to be necessary after the amendment had been made on line 5, page 1, after the word "That," to insert the words "except as otherwise hereinafter provided," because we make two exceptions. After the limit on tobacco is passed or the limit on sugar is passed, then this provision does not apply; so that, in order to make that exception applicable, the words "except as otherwise hereinafter provided" should be inserted. That will then cover the excess of sugar and the excess of tobacco.

Mr. ALDRICH. I think that is provided for by the language that follows.

Mr. HEYBURN. I went through it, but I could not find that it is covered.

Mr. ALDRICH. There is no objection to using that language, however.

Mr. HEYBURN. I think it will be necessary.

Mr. ALDRICH. Very well; let the words "except as hereinafter provided" be inserted. That makes all goods dutiable when the limit is reached.

Mr. HEYBURN. They become dutiable?

Mr. ALDRICH. Yes.

The VICE-PRESIDENT. The Secretary will state the amendment in its present form.

The SECRETARY. So that the proviso will read:

Provided, That, except as otherwise hereinafter provided, all articles wholly the growth or product of or manufactured in the Philippine Islands from materials wholly the growth or product of the Philippine Islands and of the United States upon which, etc.

The VICE-PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. BULKELEY. I should like to ask the chairman of the committee, in view of this change, if it is not also necessary to make another change on page 3, commencing in line 16. Beginning there it reads:

And provided further, That all articles, the growth, product, or manufacture of the Philippine Islands, admitted into the ports of the United States free of duty—

I should like to inquire whether it will not be necessary to change that language to conform to the other change made. I am not quite certain myself about it.

Mr. ALDRICH. I do not think so; but the words "hereinbefore provided" might be inserted.

Mr. BULKELEY. I think that would be better.

Mr. ALDRICH. Very well; after the word "admitted," in line 18, insert the words "as hereinbefore provided."

Mr. BRANDEGEE. Would it not be better, I ask the Senator from Rhode Island, to insert the words "as hereinbefore provided," after the word "That," in line 16?

Mr. ALDRICH. After the word "That?"

Mr. BRANDEGEE. Yes. There will be no question about it then.

Mr. ALDRICH. Well, at the end of line 16, after the word "That," insert "as hereinbefore provided."

Mr. BRANDEGEE. On second thought, perhaps it would be better to let it come in after the word "Islands," so that it will read: "*Provided*, That all articles," and so forth, "the growth, product, or manufacture of the Philippine Islands, as hereinbefore provided."

Mr. ALDRICH. No; I think that would not do.

Mr. BULKELEY. I suggest that it read "admitted into the ports of the United States as hereinbefore provided."

Mr. ALDRICH. It does not make much difference where you put the words. They might be put after the words "United States."

Mr. BULKELEY. It only occurred to me that there should be some such provision there.

Mr. LODGE. Yes; that will cover it.

Mr. ALDRICH. Insert the words "as hereinbefore provided," after the words "United States," at the end of line 18.

Mr. CURTIS. Mr. President, it seems to me that this is a very important amendment. The people of the Philippine Islands are anxious to use the Connecticut wrappers, and I suggest that the amendment be adopted, with the understanding that the words can be changed when the amendment comes up in the Senate, or that the amendment go over until the necessary changes can be prepared.

Mr. ALDRICH. Oh, no. Everybody understands it, I think. Insert after the words "United States," in the eighteenth line, the words "as hereinbefore provided."

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 3, line 18, after the words "United States," it is proposed to insert the words "as hereinbefore provided."

Mr. BURKETT. Mr. President, it seems to me that the words following, "free of duty under the provisions of this act," cover it just as well and as completely as could be done by saying "as hereinbefore provided."

Mr. ALDRICH. I think they do fully; but in excess of caution the Senator from Connecticut thought the change should be made.

Mr. BURKETT. If there is anything that comes after it in this bill, or anything that should happen to be in any other part of the law which practically covers all imports, the words "hereinbefore provided" would be ambiguous and would perhaps be embarrassing at some time.

Mr. ALDRICH. I think perhaps we had better strike out the word "act" and insert "section" in the nineteenth line. That will surely cover it. I will withdraw the other amendment, inserting the words "as hereinbefore provided," and move to strike out the word "act," in the nineteenth line, and insert the word "section."

Mr. BULKELEY. I was not quite certain that it needed anything further, but I wanted to make sure.

Mr. ALDRICH. I think it would be better to change the word "act" to the word "section," and I move that amendment.

The VICE-PRESIDENT. The amendment to the amendment will be stated.

The SECRETARY. On page 3, line 19, after the word "this," it is proposed to strike out the word "act" and insert in lieu the word "section."

The VICE-PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. HEYBURN. I should like to inquire of the chairman of the committee whether or not the word "otherwise," in line 18, page 4, should not come out, and also the words "in force," in line 19?

Mr. ALDRICH. Mr. President, that allows the government of the Philippine Islands to provide for internal-revenue taxation otherwise than by stamps, if they so desire. This legislation only applies to the Philippine Islands.

Mr. HEYBURN. I understand that; but was it the intention to give them that latitude?

Mr. ALDRICH. Yes; it was.

Mr. HEYBURN. They will collect their revenues in the way of licenses under the law, which power is accorded to them by this provision.

Mr. ALDRICH. It is so intended.

Mr. HEYBURN. What internal-revenue taxes in this country are collected otherwise than by stamps?

Mr. ALDRICH. We do not intend to regulate the legislation of the Philippines by anything that might be adopted here. All of their legislation must be approved by Congress.

Mr. HEYBURN. Yes; but, of course, the system of stamps has been inaugurated to avoid the danger of a floating fund in cash passing through the hands of government officers. That was the purpose of it, and I should like to ask why it is not a wise purpose there as well as here?

Mr. ALDRICH. There are a great many of the internal-revenue taxes in the United States that are not collected by stamps; for instance, all license taxes are not collected by stamps. I think it would be very undesirable——

Mr. HEYBURN. I merely wanted to inquire. Now, as to the words "laws in force in the Philippine Islands." The words "in force" are words of limitation. I think they had better be left out of the laws of the islands.

Mr. ALDRICH. I have no objection to that.

Mr. HEYBURN. I move that the words "in force," in line 19, page 4, of the amendment, be stricken out.

The VICE-PRESIDENT. The amendment to the amendment will be stated.

The SECRETARY. On page 4, line 19, it is proposed to amend the amendment by striking out the words "in force."

Mr. ALDRICH. Then the words "of the Philippine Islands" should be used, instead of "in the Philippine Islands."

Mr. HEYBURN. It would not make any difference. The Philippine Islands have no laws "of them;" they are laws "in them;" they are made by Congress, and they are applicable to the islands.

The VICE-PRESIDENT. The question is on agreeing to the amendment of the Senator from Idaho to the amendment.

The amendment to the amendment was agreed to.

Mr. HEYBURN. Now, on page 5, line 11, the words "future acts" should be stricken from the amendment.

Mr. LODGE. That should not be done.

Mr. HEYBURN. To what did the Senator refer?

Mr. LODGE. The striking out of the words "future acts," because they must be acts that are to be approved by Congress hereafter. We do not know what acts there may be hereafter.

Mr. HEYBURN. I want to make a suggestion. The amendment we just voted on was to strike out the words "in force." In line 11, on page 5, the use of this language is confined to "future acts:" that is, to be disposed of only under future acts. Now, let us see what it is:

And provided further, That from and after the passage of this act all internal revenues collected in or for account of the Philippine Islands shall accrue intact to the general government thereof and be paid into the insular treasury, and shall only be allotted and paid out therefrom in accordance with future acts of the Philippine legislature, subject—

Subject, of course, to our confirmation. Now, there may be a hiatus there which will be very uncomfortable. We have one in Porto Rico now.

Mr. LODGE. If the Senator will allow me, I think I can explain that. The internal-revenue taxes under the present law are, some of them, paid to the provincial government, and it is considered very desirable by our Government that they should be paid direct to the central government.

Mr. HEYBURN. I think that is right.

Mr. LODGE. That is the purpose of this paragraph. But the method of payment will have to be established by future acts of the Philippine assembly.

Mr. HEYBURN. There is a possibility of considerable embarrassment. The provision for paying to the central government is all right, but there is no provision for paying it out or devoting it to the use for which collected until the legislature of the Philippine Islands acts.

Mr. LODGE. There can not be.

Mr. HEYBURN. The existing laws ignore it, and the wheels of government may stop, as they have in Porto Rico.

Mr. LODGE. It can only be allotted and paid out after it has been given to them. Then, of course, it is for them to allot them and pay them out, and that will be done under the future acts of the assembly. We do not interfere with their expenditures of money.

Mr. HEYBURN. They now have a law for disbursing the funds.

Mr. LODGE. It is now distributed among the provinces. We want it in the general treasury. There is no danger of such trouble in the Philippines as there has been in Porto Rico, because the organic act, as the Senator knows, is different. The commissioners have the right, in case of failure to make appropriations, to continue the appropriations by their own act.

Mr. BULKELEY. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Connecticut?

Mr. HEYBURN. The commissioners would have no right to pay out this money in advance of legislation.

Mr. BULKELEY. The internal-revenue taxes collected in the United States naturally take the same course that the customs duties collected in the United States do. They are all returnable to the General Treasury.

Mr. HEYBURN. That is, under our general law.

Mr. BULKELEY. The collections at our custom-houses on imports from the Philippine Islands are never covered into the Treasury, but are held for the benefit of the Philippine government, and I suppose the intent of this is to make the internal-revenue taxes take the same course.

Mr. CURTIS. As I understand, this change in the existing law will require changes in the Philippine revenue laws.

Mr. HEYBURN. Until that legislation is had, not a cent of revenue can be paid out. I think we all know, as a matter of fact, that these revenues will begin to accrue to the government within at least three months after the passage of this act. The revenues that are thus collected go into the treasury under the provisions of this act. There should be some convenient method of applying them to the expenses of the government. This fund will be about twenty-six and a half million dollars, and it is for the specific purpose of paying the expenses of that government.

Mr. ALDRICH. The purpose is that it shall not be distributed under the present legislation of the Philippine Islands.

Mr. HEYBURN. Let us see the working of it. The legislature of the Philippine Islands, so far as I am advised, can not meet and enact a law providing for the distribution of this money for the expense of the government until next fall. That act, by the very terms of this act, must be submitted to Congress, and we can only act on it next winter, at the regular session of Congress. It looks to me as though there must be a period of nearly a year in which there will be no law in force for the distribution and use of the public funds.

Mr. ALDRICH. These provisions have had the approval of the Insular Bureau of the War Department.

Mr. HEYBURN. That is not an argument which is legitimate here.

Mr. ALDRICH. I think it is perfectly safe.

Mr. HEYBURN. We are here to legislate on our own responsibility.

Mr. ALDRICH. It is safe to say that the Insular Bureau have an idea of practical legislation in the Philippine Islands, and I assume they would not purposely create a hiatus of a year in the disposition of these funds.

Mr. CURTIS. I understand there has been submitted to Congress a general tariff act for the Philippine Islands. That measure has passed the House and is now pending before the Senate committee, and I should think the legislation suggested could be cared for in that measure.

Mr. HEYBURN. Yes; it is for that purpose that I have raised these objections. I know something of what is proposed to be done by that bill should it be enacted into law. I am anxious that there shall be nothing done in this bill which will tie the hands of that government under the proposed legislation. Under existing law the Insular Commission have powers which they will not have if this law is passed. This is not a thing to be disposed of lightly, in a moment, or by a nod. It is a pretty large proposition.

Mr. LODGE. The Senator will allow me?

Mr. HEYBURN. Yes.

Mr. LODGE. The point which the Senator has just made is a very important one. If this affects the powers of the commission under the organic act, it is a very serious thing indeed.

Mr. HEYBURN. We will have to change it.

Mr. LODGE. I did not suppose there was anything like that in here, or I never would have assented to it.

Mr. HEYBURN. I have been spending hours over it, and I am looking forward to harmonious legislation in the Philippine tariff bill with that which we enact here.

Mr. ALDRICH. Will the Senator please point out any provision in this amendment which limits the powers given by the organic act?

Mr. HEYBURN. Oh, the organic act; the organic act now is supplemented by the legislation enacted pursuant to it, which is in force, just as the Dingley bill is in force at this time, and it will remain in force until something is substituted for it.

In my judgment, with such time as we have had to compare the provisions of this measure with those recommended by the Insular Bureau and already within the proposed legislation, this provision is inconsistent.

Mr. BULKELEY. I want to say, for the information of the Senator from Idaho, who I believe is a member of the Committee on the Philippines, that I shall not oppose but shall favor the adoption of this substitute, so that if the legislation is finally adopted by the Congress it will be in better shape, to my mind, than the original bill. I have a view of my own that this legislation has no proper place in a bill creating a tariff for the United States of America, and that it should properly be considered in connection with the tariff bill for the Philippine Islands, many measures of which are dependent upon this very legislation pending before this body. I shall move, if the substitute is agreed to, that the whole paragraph be stricken out and that it be referred to the Philippine Committee, that it may be perfected.

Mr. HEYBURN. I suggest to the Senator from Connecticut that it would not be accomplished by striking out the whole paragraph, but by striking out all after the colon, in line 6, page 5——

The VICE-PRESIDENT. The Senator from Connecticut understands that the proposed amendment has already been substituted for the provision printed in the bill?

Mr. HEYBURN. It is all open for discussion.

The VICE-PRESIDENT. It is all open for discussion. The Chair thought the Senator from Connecticut had an erroneous impression in regard to it.

Mr. BULKELEY. I want to suggest to the Senator from Idaho, who is chairman of the subcommittee, that this legislation, in the tariff bill now pending, should properly be considered with the other, in order that the bills should be drawn in entire harmony. Heretofore all Philippine legislation with which I am familiar has first been considered by the committee of the Senate having these items under their particular charge, and has not been mixed up with general legislation for the United States.

Mr. CURTIS. Mr. President——

Mr. LODGE. I only wanted to say, in reference to what the Senator from Connecticut has just said, that I am chairman of the Committee on the Philippines, as it happens, and I have not the slightest desire to take anything from any committee which properly belongs there, but I am clear that this proviso ought to stay here and that it is of great importance to the proper administration of those islands.

Mr. CURTIS. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Kansas?

Mr. HEYBURN. I yield.

Mr. CURTIS. I should like to ask the Senator from Massachusetts if it would be proper to provide for this legislation in the Philippine tariff bill?

Mr. LODGE. It seems to me it comes more appropriately here. We can do it in the other or by a separate bill, but we are dealing here with their internal-revenue taxes and making arrangements in regard to them.

Mr. CURTIS. As I understand, this provision is necessary because if the new tariff law takes effect it will reduce the revenue in the Philippine Islands, and under existing laws they are paying now to the provinces more money than they can afford to turn over to them in case the new tariff bill passes; and in view of that fact it is important that this change be made.

Mr. HEYBURN. I have no desire to delay or in any way to embarrass this legislation, but it is a question of too much importance to be passed over lightly. I am satisfied it is not wise to enact this as it is proposed. There might be a long interval during which no one would be authorized to distribute or use this fund. One branch of the government would have lost the power and the other would not have obtained it. However desirable it may be to change the financial system of the Philippine Islands and to have the money paid out in pursuance of an act of the legislature, approved by this Congress, we must not lose sight of the fact I have presented.

The Senator from Massachusetts has suggested that we might insert here a provision that would give the Insular Commission the authority, until the enactment of legislation, in the interval, to disburse this money. Otherwise you are going to have a lot of money lying idle in the treasury. I would suggest that if the Senator from Massachusetts will formulate such an amendment, it would cure the objection which I have.

Mr. LODGE. I would suggest to insert in line 12, after the word "legislature," the words "or of the Philippine Commission."

The VICE-PRESIDENT. Does the Senator offer that amendment?

Mr. LODGE. I suggest it.

Mr. HEYBURN. It would have to come in somewhere else. That would make the action of the Philippine Commission subject to the approval of Congress.

Mr. LODGE. I suggest to insert at the end of the proviso that it shall be expended under the direction of the commission until action by the legislature.

Mr. HEYBURN. That can be formulated.

The VICE-PRESIDENT. The question is on agreeing to the substitute offered by the committee.

Mr. HEYBURN. That takes the place of the whole business.

Mr. BULKELEY. Mr. President——

Mr. BRISTOW. If the Senator wants to continue his remarks——

Mr. BULKELEY. I simply desire to make a motion as a substitute for the adoption of this paragraph while this is before us. I desire to make a motion to refer.

Mr. BRISTOW. It may eliminate the necessity of my making any remarks. I was going to talk on some other phases. But I understand the Senator from Connecticut desires to offer a substitute for this paragraph.

Mr. BULKELEY. The motive for my present action is to get this substitute bill into shape that will be more satisfactory than the bill as originally reported by the committee, and if that is done, not with any view to delay this legislation, I shall make a motion to refer to the Committee on the Philippine Islands, in the first place, that the whole Philippine matter can be considered in connection with the tariff bill for that archipelago, which is dependent upon the tariff bill, and dependent in large measure on the bill that is now pending, and that they may be both considered together and worked out in proper form.

Mr. BRISTOW. If I can have the attention of the members of the committee, I should like to inquire what is the effect?

The VICE-PRESIDENT. The Senator from Kansas desires the attention of the Senator from Rhode Island.

Mr. BRISTOW. I should like to inquire if the paragraph following that proviso in line 5 incorporates the tariff laws of the United States on the importation of sugar into the Philippine tariff laws, and makes them applicable to the importation of sugar into the Philippine Islands from other countries than the United States?

Mr. ALDRICH. That provision does not, but the other provisions of the act extend the tariff laws. They are already extended by other legislation and by this legislation. It has to pay the same rate of duty that sugar imported into the United States does, unquestionably.

Mr. BRISTOW. What is the purpose of that proviso, which was not in the original House measure, and why is it necessary in this measure to impose our tariff laws as relates to the importation of sugar from other countries to the Philippine Islands? You do not do it in regard to anything else.

Mr. ALDRICH. It must be apparent to everyone in the Senate that we can not have Java and Sumatra sending their sugar to the Philippines and then have it sent to the United States.

Mr. BRISTOW. This provision does not——

Mr. ALDRICH. It does not touch that question at all. It refers only to the admission of sugar into the United States. That provision does not touch that.

Mr. BRISTOW. These 300,000 tons must be the product wholly of the Philippine Islands.

Mr. ALDRICH. Certainly.

Mr. BRISTOW. It is not necessary to incorporate this provision in order to prevent sugar from being imported from Java into the Philippine Islands and then into the United States.

Mr. ALDRICH. If the Senator from Kansas can tell whether sugar imported from the Philippine Islands is the product of the Philippine Islands or not, he is much wiser than I am. After it is once in there, admitted free, and it is proposed to be exported, I know of no process by which you can tell whether it is the growth of the Philippine Islands or not. The only way to be certain is to make the same import duties in the islands as in the United States, subject to all the penalties for fraudulent importation. That is true of sugar, tobacco, and everything else. If we are going to admit tobacco free into the Philippine Islands, this provision, that it shall be free if the growth of the Philippine Islands, would amount to nothing.

Mr. BRISTOW. But the committee does not provide that other articles than tobacco and sugar shall have the same duties if they are imported into the Philippine Islands as when imported into the United States. This provision applies only to sugar and tobacco. It is just as easy to commit frauds with respect to other articles as with regard to sugar and tobacco. You do not propose the same thing with regard to the importation of cotton.

Mr. ALDRICH. Those things can be easily followed, but in the matter of sugar and tobacco it seems to me it is absolutely impossible to determine that question; and so long as sugar and tobacco are the only real questions in controversy, it seems to me and to our committee, without any difference of opinion, that this provision is absolutely necessary. I think, unless the Senator wants to have all the sugars of the world imported into the United States free of duty, that this provision must be adopted.

Mr. BRISTOW. Take liquors or anything else other than sugar and tobacco. There are a thousand things that might be imported into the Philippine Islands and then imported here that are just as hard to detect, and I can not see why the Philippine Islands should be burdened with our tariff laws relating to sugar when they are not burdened with our tariff laws relating to all the other things comprised in this bill. The result will be, it seems to me, that the sugar provisions relating to the importation of sugar into the United States will be attached to this Philippine tariff; and it means this, that in the future, after this law is enacted, all the sugar not produced in the Philippine Islands will have to be imported from the United States unless they pay a very large duty, and the result will be that all refined sugar consumed in the Philippine Islands after the enactment of this law will be imported from the United States to those islands. That will be the effect of this legislation, and it is plainly in the interest of the sugar refineries of the United States more than in the interest of the Philippine Islands. I can not see anything else to it.

Mr. ALDRICH. This is certainly a new objection. The sugar producers in the United States and the tobacco producers in the United States have strenuously objected to the free importation of these articles from the Philippine Islands, and they are strenuously objecting to the importation of 300,000 tons. I never before heard the suggestion that the purpose of this legislation was to force the people of the Philippine Islands to use American sugar. They make all their own sugar now, and send sugar to China and to various other places, and the fear of the sugar producers of the United States is that they will soon produce sugar greatly in excess of the 300,000 tons which they will send here. I think the Senator's imagination is getting a little the better of the facts in this case.

Mr. BRISTOW. It is not a question of imagination, and as to the statement that the Philippines consume only their own sugar, that is not a fact. They consume a great deal of sugar not made in the Philippines. They import a great deal from

other countries. They import some from the United States, some from England, some from Germany, but much more from China.

Mr. FOSTER. I suggest to the Senator that unless some provision of this kind is placed in this bill, does he not think there would be a great danger of the Filipino people importing cheap sugars from Java and the surrounding islands, thus enabling them to ship their entire product to this country, while consuming what may be necessary of these cheap sugars from adjoining islands?

Mr. BRISTOW. I think that could be provided against just the same as we now import raw sugars from other countries into the United States in bond. It is refined and exported. There is no duty on that. It would be just as easy to prevent fraud in the Philippine Islands as fraud here. What is to prevent a refiner importing raw sugar, and instead of exporting that identical sugar, using it for consumption in the United States, and thereby avoid the duty, thus committing a fraud? That is provided against, and the same provision can be made against the Filipino importing sugar and sending it to the United States. It is purely a question of protecting the revenue against fraud.

Mr. FOSTER. If the Senator will permit me——

Mr. BRISTOW. Certainly.

Mr. FOSTER. I did not mean that the Filipino would buy this cheap sugar in Java and the other islands and import that sugar into this country. What I did mean was that they would buy this sugar for their own consumption and then ship all of their product to this country.

Mr. BRISTOW. I see the point.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield to the Senator from Utah?

Mr. SMOOT. In answer to the Senator from Louisiana I will say that would be impossible to-day, for there is a duty upon sugar entering into the Philippine Islands from other countries.

Mr. BRISTOW. I should like to inquire if the committee feels that it is the wisest and best course, beyond question, to limit to 500 tons the amount that any one factory may ship here?

Mr. ALDRICH. That provision was put into the bill for the purpose of discouraging—I will not say preventing, but discouraging—large combinations of sugar growers in the Philippine Islands. There was fear expressed by the sugar producers of the United States that either the American Sugar Refining Company or some other large combination would go over there and practically take possession of the sugar production of the Philippines; that they would build large factories, central factories, and control the production in that way. This was put in at the suggestion of the sugar producers of the United States to prevent those combinations. I think the contention of the gentlemen is correct.

Mr. BRISTOW. I may be mistaken in regard to that, but I wanted to offer a few suggestions upon two phases of this sugar legislation. The 300,000 tons are, of course, to be imported to benefit the sugar producers of the Philippine Islands. That is what this legislation is for, as I understand it. It is to improve the market for raw sugar in the Philippines, and encourage the production of sugar in those islands, which has very greatly declined or is very much less now than it was under the Spanish control and government of the Philippine Islands. It can not in any way benefit the American people, because it means 300,000 tons of a very crude raw sugar, or the part of 300,000 tons which shall be imported into the United States free of duty. It will not lessen the cost of sugar to the American people any whatever, because we are now receiving practically 500,000 tons from Hawaii, 225,000 tons from Porto Rico, and from 1,200,000 to 1,400,000 tons from Cuba at a reduction of 20 per cent. This tremendous importation of raw sugar into the United States in the last five years has not reduced materially the price of sugar to the American consumers. The question is, Will this legislation benefit the Filipinos?

It is interesting to note that the only sugar that is produced in the Philippines is of a very crude kind. We imported for the year 1907, according to the table of statistics furnished by the committee, about 35,000 tons. None of that tested higher than 89° by the polariscope. Much of it was very much lower than that. There was quite a large part that tested 82°. None of this sugar that comes in is suitable for direct consumption. It is sold to the refineries. I have been told by representatives of the independent refineries that the American Sugar Refining Company, or the trust, is the only refinery in the United States that purchases in any considerable quantities Philippine sugar for refining; that it is the only one of the refineries that is equipped for the refining of the crude raw sugar that comes from the Philippine Islands; and that practically the only sales which have been made from the Philippine Islands since we have had this reduction have been to this company.

What will be the result, then, of admitting 300,000 tons of this sugar? It will simply give the American Sugar Refining Company 300,000 tons more of raw sugar to be refined at a much cheaper price than it is now paying for that raw sugar, and it will sell the product of the 300,000 tons after it is refined to the American people for the same price that it is now receiving for granulated sugar. It is simply another favor extended, so far as the Americans are concerned, to the American Sugar Refining Company, and the Filipinos will receive the advantage of whatever increase there is in the price they receive for their raw sugar. But since in the United States they will have but one customer of any consequence, the price that they will receive will depend upon the will of that customer. So it is problematical as to what benefit the Filipinos will receive.

Just to illustrate the kind of sugar that is produced in the Philippine Islands, I have secured from the Department of Agriculture some samples of Philippine sugar. There is one [exhibiting] that tests 83°. We had last year something over 11,000,000 pounds of that kind of sugar that came into the United States. The only customer in this country for that sugar is the American Sugar Refining Company. It is the only refinery that can handle it, or that does handle it, or that buys it.

Mr. CURTIS. Mr. President——

The VICE-PRESIDENT. Will the Senator from Kansas yield to his colleague?

Mr. BRISTOW. Certainly.

Mr. CURTIS. I suggest to my colleague that the principal customers for the Philippine sugar are the people of China and Japan. The Chinese use that sugar in the state the Senator has presented it to the Senate. It was generally contended in the Philippine Islands that the advantage to them of letting their sugar into this country free would be the increase in price they would receive from their customers in China and Japan. Of course the price of the Philippine sugar is fixed at Hongkong. It is the New York price less the freight from Hongkong to New York.

I do not suppose anyone will contend that anywhere near 300,000 tons of Philippine sugar will ever be imported into this country. The truth is the Philippine people, under the most advantageous circumstances, never produced for exportation over 260,000 tons of sugar.

Mr. BRISTOW. I realize that——

Mr. BULKELEY. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield to the Senator from Connecticut?

Mr. BRISTOW. Certainly.

Mr. BULKELEY. I should like to ask the Senator from Kansas [Mr. CURTIS] a question. Does he not know that the quality of Philippine sugar is so poor that there is no market for it in the United States, and that this proposed legislation is all humbug?

Mr. CURTIS. No; I can not agree with the Senator that "this proposed legislation is all humbug." I think as those people said there, their sugar is being used in China and Japan, and the price is fixed at Hongkong. They say the Filipino producer receives the New York price less the freight from Hongkong to New York. If there is a duty added it will add that much more to the New York price, and they will receive that much of a benefit.

The limitation of 300,000 tons was placed upon the importation to satisfy the American producers of sugar. They thought if sugar was admitted free Americans would go to the islands and buy plantations and begin the manufacture of sugar in the Philippine Islands for exportation to this country.

Mr. BULKELEY. It was not only the fear that Americans would go to those islands, but that the great exploration companies of the world would go in there and buy those cheap lands of the Philippine Islands adapted to the raising of sugar and instead of two hundred and fifty or two hundred and sixty thousand tons, which was the largest amount they ever exported in the best days of sugar planting in these islands, it would largely increase under free trade with the United States.

It is true, I think, Mr. President, that sugar culture has very much deteriorated in those islands, and the quality of sugar has deteriorated rapidly. Instead of 265,000 tons they are now exporting about 125,000 tons. If you will refer to the report of the then Secretary Taft, our President, you will find he states clearly that it is not in the interest of the Filipinos to develop the sugar culture in the Philippines.

Mr. CURTIS. If my colleague will permit me, I will state that at a hearing given by the committee those who represented

the beet-sugar interests of the United States said they were afraid the people of the United States would buy the lands, because they had agents there at that time. I think the reduction of the production of sugar in the Philippine Islands was not so much on the account of the conditions set forth by the Senator from Connecticut as it was the result of the destruction of the great sugar plantations during the Spanish war, the war between the Filipinos and the Spanish people, and afterwards in the insurrection. I visited a lot of those plantations, and they were absolutely destroyed. The people who produced sugar said that if the United States would permit them to import sugar into this country free it would give them this additional price in Hongkong, which would be of great advantage to them. I think they were right in their contention.

Mr. BULKELEY. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield to the Senator from Connecticut?

Mr. BRISTOW. Certainly.

Mr. BULKELEY. I will say that possibly the destruction to which the Senator refers was not the only element in the deterioration of the sugar industry of the islands, but that it grew more largely from the attack of a disease upon the animals of the island which they were obliged to use in connection with the sugar industry, and which they have never been able to restore to the sugar fields.

Mr. CURTIS. If my colleague will permit me, an additional reason was the destruction of the carabao, or water buffalo, by a disease which spread over the islands, and then, I might say, there were other reasons. The hemp industry is the particular industry of the islands. People can make much more money in producing hemp there than they can in producing sugar. There are other paying industries, and tobacco pays better than sugar, and rice could be produced to a better advantage, in my judgment, than sugar.

Mr. BULKELEY. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield to the Senator from Connecticut?

Mr. BRISTOW. Certainly.

Mr. BULKELEY. By the report to which the Senator has referred, hemp has deteriorated almost as fast as the tobacco, and both in about the same degree as the production of sugar. It is the laziness and the stupidity of the people more than anything else that has contributed to the conditions in those islands in regard to agricultural products.

Later, when I come to discuss this question on the paragraph itself, I shall endeavor to show, not from any knowledge of my own, but from an official document and those acquainted with the islands, that it is the people themselves who are more largely to be blamed than any other condition.

Mr. CURTIS. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield further to his colleague?

Mr. BRISTOW. Certainly.

Mr. CURTIS. I dislike to take so much of my colleague's time, but I would like to say that I know nothing about what the reports show, but if there is any claim that the hemp industry has greatly decreased in that country, it must be a mistake. I visited the hemp island there, and every place we went where they produce hemp we found placards stating, "Leave us alone; we are doing well enough." There was evidence of prosperity in every section where hemp was produced in the Philippine Islands.

Mr. BULKELEY. It is true that the quality of hemp has deteriorated in the Philippine Islands.

Mr. BRISTOW. I would very much prefer that this discussion as to hemp be injected in a speech on hemp, instead of sugar, if it would suit the Senators just as well. Referring to the suggestion of my colleague, that the market for the Philippine sugar is in China and that this will help the Filipinos by increasing the price which they can secure from the Chinese, I think that that is a mistaken notion, because it is a well-known fact, and I will endeavor to cite authority bearing that out, that the reason why there is a decline in the amount of sugar produced—one of the reasons at least, and an important one—is that the market in China has been taken away by the Java sugar, which is of a superior quality, and can be sold just as cheaply and really produced much cheaper in Java than it is produced in the Philippines. So the Filipinos are losing the Chinese market because of the inferior quality of the sugar they are producing.

Mr. CURTIS. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield to his colleague?

Mr. BRISTOW. Certainly.

Mr. CURTIS. My authority is the principal producers of sugar in the Philippine Islands. I asked the question myself of the producers and the exporters of sugar in the Philippine Islands; they made answers to the questions I asked, and I brought out the facts which I have given to the Senate, that their market is China and Japan, and that the market price is fixed in Hongkong, the New York price less the freight; and that they would be benefited by this change. Of course I know nothing about it myself. I depend wholly upon what the sugar producers and the sugar exporters of the Philippine Islands gave to the committee.

Mr. BRISTOW. I will refer to that later before I get through; and I want to say I am not going to take much time on this subject. As to the method used in making sugar in the Philippines, it is the old method that has been used for generations and probably for centuries. They make what is called "muscovado sugar." The process, if I understand it properly, is similar to that which was employed in Louisiana for a century. That sugar [exhibiting] was made by grinding the cane in old wooden mills, sometimes iron mills. Usually the power is the water buffalo, or the animal that they use there, and they grind the cane over and over again. Then they boil it in kettles or pans and after it is boiled and gets thick and pasty, they take it out and pile it away somewhere to let the molasses drain out of it. By the modern method of manufacturing sugar, known as the "centrifugal process," the same cane juice can be taken and good sugar produced without refining it. That is a bottle of unrefined [exhibiting] sugar that was sent me from New Orleans.

It is 98 centrifugal sugar that has never been refined. The molasses was thrown out of it by the revolutionary process in a modern sugar factory. The old way was to drain the molasses out of it when it was in a box of some kind or in hogsheads with holes in the bottom of them. The top part of sugar so produced is the better, and the bottom is the cruder.

That is the only way they have of making sugar in the Philippine Islands to-day, I am told. There is not a single centrifugal mill in the islands, I have been informed by a gentleman who came from the Philippines sixty days ago. All of it is made by the old crude process.

I want to call the attention of the Senate to the duty that was paid on sugars that came from the Philippine Islands in 1907. It was purchased, as I have said, by the American Sugar Refining Company. Now, what duty was paid on a sufficient amount of raw sugar to make 100 pounds of refined sugar? I have a table here which has been made up from the records furnished us by the committee. There is a Treasury decision which finds the amount of raw sugar it takes in every degree of polarization down to 75° to make 100 pounds of refined. According to this Treasury decision, which is Treasury Decision No. 20174, rendered October 12, 1908, it requires of sugar testing 83, as this is, 124 pounds of that sugar to make 100 pounds of refined.

I think that that is more than it takes. My judgment is, from other information that I have, that the Treasury has been very liberal in allowing an amount of sugar that is necessary to make 100 pounds of refined. This decision was rendered in connection with fixing the amount that should be paid as drawback for sugar that comes in to be refined and then exported.

The sugar refining company that bought 100 pounds of this sugar and refined it paid a duty on the 124 pounds which it took to make 100 pounds of refined of 1.14\frac{7}{10}$. That is the duty that was actually paid on the amount of sugar that it requires to make 100 pounds of refined sugar. The duty on that 100 pounds of refined sugar is $1.95 after it is refined. The duty paid on the amount of sugar that it requires to make that 100 pounds was $1.14. There is not any theory about this; that is the actual transaction of the Treasury Department. They paid on that $1.14 duty, and as soon as it was refined they were protected by a duty of $1.95, leaving a difference in the amount of the duty on the refined product of 80.3 cents. That is the differential on Philippine sugar to-day, and there is not any escaping from that conclusion, because it is absolutely accurate. The differential on Cuban sugar grading 83° is 80 cents per hundred pounds. There were last year 9,250,000 pounds of that grade imported. There were 11,500,000 pounds of 82° sugar that came in from the Philippines. The differential on the 82° sugar was 81.7 cents. That is, for every 126 pounds, which is the amount it took of 82° sugar imported from the Philippines to make 100 pounds of refined sugar, there was paid $1.13 duty. As soon as that is refined and becomes the 100 pounds of refined-sugar product, it then carries a duty of $1.95 under the present law, which, on that eleven million five hundred thousand, would be 81.7 cents per hundred as the differential.

Now, on the 70,000,000 pounds that were imported in 1907 there was an average differential of 70 cents per hundred pounds, counting the duty paid on enough sugar to make 100

pounds of refined. On 75° sugar it is 136 pounds; on 89° sugar, which is the highest that came in from the Philippine Islands, it is 115 pounds.

Mr. BURKETT. I should like to ask the Senator a question there.

Mr. BRISTOW. Certainly.

Mr. BURKETT. Does not the same 25 per cent reduction on sugar from the Philippines apply to refined as it would to the raw sugar?

Mr. BRISTOW. There is no sugar refined in the Philippines.

Mr. BURKETT. But the Senator is speaking of a differential. If they refined it, the refined sugar coming in from the Philippines would get the same reduction that the raw sugar does, would it not?

Mr. BRISTOW. Certainly; but there is no refined sugar there.

Mr. BURKETT. I understand that, of course; but you can not figure on differentials.

Mr. BRISTOW. You can not in theory, but you must in fact.

As I was showing, the sugar produced in the Philippine Islands is of the coarsest variety. I want to read from Mr. Austin's report on the production of sugar in the Philippines, because it will give the Senate a very clear idea as to how they make sugar in the Philippine Islands. Mr. Austin, on page 1346 of the World's Sugar Production and Consumption, which can be found in the Library, and is very interesting, gives a very graphic idea of the crude methods of making sugar there. He says:

In the production of sugar, as stated before, the crudest and most primitive methods are still being used. This is especially true of the Taal district, in the Province of Batangas. The total product, a very coarse muscovado, is called "Taal" sugar, from the name of the shipping port, Taal. Although by the year 1890 there were already a few steam and hand mills imported from England, the bulk of the establishments used old stone and wooden mills, such as were customary in Europe about five or six hundred years ago, the natives who owned the plantations in that part of the island being either indifferent or hostile to any improvements or innovations. By means of this crude "machinery," put into slow motion by water buffaloes or oxen, after repeated crushings of the cane, about 40 per cent of its weight is turned into juice. The latter runs through bamboo tubes into iron open pans, which stand in the open field over clay hearths, oftentimes without roofs. In these pans the juice is boiled with its impurities until it constitutes a pasty, dirty mass. The sugar gained in such a manner is taken out of the pans and heaped up in barns. After a while these heaps are packed into sacks, of which about six constitute a load for a buffalo cart, and long rows of such carts may be seen daily moving along like a creeping serpent in the direction of the port, the molasses dripping from the carts the whole length of the road. The loss in weight to Manila only is estimated to be between 2 and 3 per cent.

That is the usual method of making sugar in the Philippine Islands, and that is the method that produced that kind of sugar [exhibiting]. There is a little better grade of sugar that is made there, which is made in this way.

A third system of producing sugar, customary in the sugar districts of central Luzon, consists in pouring the thick juice into clay funnel-shaped vessels called "pilones," which contain an opening at the bottom, closed by a stopper for some time. When the mass has sufficiently cooled, the stopper is taken out and the molasses flows slowly into pots put under these openings. Sometimes a thin layer of wet clay is put on the sugar, which is repeatedly moistened, allowing the water to pass through the sugar mass below. In this way a somewhat better quality is obtained, but this method requires many easily frangible and thus costly vessels and large storehouses, in which the pilones are kept until the primitive clarification process is completed.

Now, Mr. President, the result is that the only sugar that is made in the Philippine Islands is of the coarsest quality—that [exhibiting] is the best grade that comes to the United States.

I got this from the collector of customs at New York. It has no market except the American Sugar Refining Company. The other refineries in the United States are not prepared to handle it.

Mr. President, when you enact a law giving free import into the United States of 300,000 tons of this sugar you do not benefit a single American citizen except those interested in the American Sugar Refining companies, and there is no one who can demonstrate that a single American citizen receives any advantage whatever from the importation of this 300,000 tons of sugar except the American Sugar Refining Company. What are we enacting this law for? Primarily and solely for the benefit of the Philippine Islands and for the Filipinos, and for no other reason. I am not going to discuss at this time whether or not we should admit 300,000 tons of their sugar for their benefit. That is a question I shall leave until later. If we are going to admit it for their benefit, should we not enact provisions into this bill which will benefit them the most? We are not making it for ourselves; we shall get no good out of it. If we are going to help them, should we not help them in every way that we can? There are several million pounds of refined sugar imported into the Philippine Islands every year for consumption by the people who want a better grade of sugar than that [exhibiting], and that is the best they have unless they import it. The Senator from Massachusetts [Mr. LODGE] said that they did not import any sugar into the Philippine Islands, and therefore this provision which makes the Filipinos pay the same duty on refined sugar that we have to pay is a matter of no consequence to them. I had here—I do not know whether I brought it with me this morning—the exact amount that they did import.

But I say they import several million pounds. They get most of it from Germany, because the refined sugar that they get from Germany they can buy very much cheaper than they can from the United States. They get a great deal of it from China; it goes through China in transit to the Philippines and is bought by sugar brokers located in China, but it is not a Chinese production, of course. It is largely Java sugar which is sold in China. They imported in the year 1908 from Hongkong 2,900,000 pounds of refined sugar; in 1907 they imported 2,700,000 pounds of refined sugar from Hongkong. From the United States they imported in 1906, 30,000 pounds; in 1907, 215,000 pounds; and in 1908, 8,000 pounds. I do not know why they bought 215,000 pounds from us in 1907 and only 8,000 pounds in 1908; but I do know that, regardless of what the Senator from Rhode Island and the Senator from Massachusetts may say, the incorporation into this bill of this paragraph, to which I have objected, will compel the people of the Philippine Islands to buy every pound of refined sugar which they use from the United States, because it puts a duty of $1.90 per hundred pounds on every pound of refined sugar which is imported by those islands from any other country than the United States; and if you are legislating for their benefit, you are depriving them of the privilege that they now enjoy of buying their refined sugar in the markets of the world where they can get it cheapest. In return you are permitting them to deal with the American Sugar Refining Company for 300,000 tons of their crude sugar. They have no other purchasers of any considerable amount, and will not have any other purchasers under the provisions of this bill in the United States.

I want to submit to Senators, if they think that that legislation is in the interest of the people of the Philippine Islands, why should you compel them to pay a tax of $1.90 per hundred pounds on refined sugar and shut out the sugar that they have been importing from other countries of the world with whom they have commercial relations as well as they have with us; and then incorporate a provision in the bill that makes it impossible, as I will show, for them to produce practically any better sugar than that? [Exhibiting.]

The Senator from Rhode Island said that the purpose of limiting this importation of sugar free of duty to 300,000 tons was to prevent some great institution like the American Sugar Refining Company going to the Philippine Islands and establishing a sugar plantation there that would absorb all of these 300,000 tons of their sugar.

Mr. President, it is interesting to note the decline in the production of sugar in the Philippines. Various reasons have been assigned, but none of them appear satisfactory to me. The United States does not buy the amount of sugar from the Philippines which it used to do. We purchased more raw sugar from the Philippines in 1883 than was produced in the Philippine Islands last year all told. We purchased, in 1883, 149,000 tons of Philippine raw sugar. In 1885 we purchased 155,000 tons of raw sugar from the Philippine Islands, while last year, 1907, the last full year's statistics given here—Willett & Gray's statistics—we purchased 8,000 tons. Great Britain has been a better customer for the Philippine sugar than we have been in recent years; and China and Japan, as was stated by my colleague [Mr. CURTIS], have been the best customers for Philippine sugar. Willett & Gray's Weekly Statistical Sugar Trade Journal, on page 447, December 23, 1908, in regard to the Chinese market for Philippine sugar, says:

Just think of the great market for sugar in China and Japan. They use Java sugar there now. Why? Because in Java they have central sugar mills, where the highest percentage of sugar is extracted from the cane at the lowest cost. They send centrifugals to China, where it easily outclasses the raw sugar of the Philippines—

That is sensible, is it not?—

Men who have studied the question carefully say that if the Philippine sugar industry was run on the same lines to-day as it is in Java the Philippines product would crowd that of her neighbor out of the Far Eastern field.

That is, if we enact a law that will enable the Philippine sugar producer to produce a quality of sugar that must compete with Java sugar in the markets of China and Japan, the Phil-

ippines, because of their proximity and their commercial relations, will be able to take and hold that market. That is the view of the author and publisher of this journal. That [exhibiting] is a centrifugal. That kind of sugar is made in Java and can be exported. Here [exhibiting], as I understand, is a Java centrifugal sugar. It needs no argument to demonstrate that if you put those two sugars in the market at practically the same price that [exhibiting] will sell first. As long as you have a provision limiting the production of sugar to 500 tons per factory, you never will get centrifugal factories established in the Philippines, will you? I appeal to the representatives from Louisiana here, who know. There are in the Philippines to-day between ten and twelve thousand sugar farms. There are, I think, about 12,000 sugar farms in Louisiana. In Louisiana there are about 250 central sugar factories that take cane from those farms. They purchase it, grind it, turn it into sugar, and put the sugar on the market; but there would not be one there if they were limited according to law to producing only 500 tons, because that amount does not pay to make the great investment that is necessary in order to establish one of those factories.

The intention of the legislation is good. It is to prevent the concentration of the sugar production under one control; but in the Philippine Islands a sugar company can not purchase vast tracts of land, as is done in Cuba. Their holdings are limited to certain amounts. The average size of the sugar farm in the Philippine Islands is only 16 acres. They can not get tracts of land much larger than that, because the holdings of land can not be concentrated into vast areas, thereby creating practically a condition of servitude similar to what there is in some of the tropical countries. Why can not the Filipinos raise their sugar cane and sell it to a central factory the same as is done in Louisiana?

Do not the restrictions that we now have preventing the acquiring of large bodies of land guard against the concentration of sugar production in one hand? To establish a central factory that would make sugar by the centrifugal process, so as to turn out sugar of this grade [exhibiting] and market it in the Philippines and in Japan, and in competition with Java and other countries that use that process, would it not be best for the sugar growers in the Philippine Islands?

Mr. President, those who are familiar with sugar production, discussing this from the standpoint solely of the Filipino's interest, can not call in question that declaration, because if a central should be located that could turn out a thousand or fifteen hundred tons per annum, it would furnish a market for a vast amount of cane that could be grown by the independent farmers on the land that they own, and a much better grade of sugar could be made; so that there would be a far better market for that which is made, and yet they would produce a sugar that could be marketed in China, Japan, and elsewhere, and that would not have to be sold to the American Sugar Refining Company.

I want to say now, regardless of the laughs and sneers of those who do not agree with me, that practically the sole beneficiary of this legislation, as it is now framed, is the American Sugar Refining Company, except that small part that they might be willing to give to the Filipinos in order to induce them to produce as large a quantity of their sugar as they can. You are putting the Filipino farmer and the American Sugar Refining Company into a deal between themselves and shutting out every other competitor for the Filipino market. Not only that, but you are taking from them the rights that they now enjoy of buying in other countries the refined sugar which they consume, without having to pay a tax of $1.90 per hundred pounds upon that sugar. I want to appeal to the Senate not to consummate this.

I have some amendments that I have prepared. I was in hopes that the committee would consent to take that provision out without the controversy which seems to be necessary. But I have an amendment here that I want to offer first, and I will send it to the desk and ask that it be read.

The VICE-PRESIDENT. The Senator from Kansas offers an amendment, which will be stated.

Mr. BRISTOW. An amendment to the amendment submitted by the Committee on Finance.

The VICE-PRESIDENT. What the Committee on Finance has presented is practically a substitute, and has been accepted, so that it is an amendment.

Mr. LODGE. There is an amendment pending, being a proviso that I offered at the end of the bill, to which, I think, there is no objection, and which was suggested by the Senator from Idaho. I think that amendment will have to be disposed of first.

The VICE-PRESIDENT. No amendment is pending. The Chair asked the Senator if he offered the amendment, and he said he suggested it.

Mr. LODGE. I intended to say that I was preparing it. I certainly thought I offered it. It is in the hands of the Secretary.

The VICE-PRESIDENT. Very well. If the Senator from Kansas will permit, the amendment offered by the Senator from Massachusetts [Mr. LODGE] will first be disposed of. The Secretary will state the amendment.

The SECRETARY. Add at the end of the amendment the following proviso:

Provided, That until action by the Philippine legislature, approved by Congress, internal revenues paid into the insular treasury as hereinabove provided shall be allotted and paid out by the Philippine Commission.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment to the amendment was agreed to.

The VICE-PRESIDENT. The Senator from Kansas offers an amendment, which will be stated.

The SECRETARY. On page 2 of the printed amendment, in lines 5 and 6, it is proposed to strike out "sugar, refined or unrefined, and;" and in line 9 to strike out the words "sugar and."

Mr. BRISTOW. That simply removes the provision requiring the Philippine Islands to accept the American sugar tariff as applying to their islands, and leaves it just as the House had it, permitting them to buy refined or unrefined sugar at any place they wish.

Ample provision can be made by the Treasury Department to protect the people of the United States from having any sugar that is imported from the Philippine Islands that is not the product of the islands reimported into the United States, the same as other kinds of manufactured articles are forbidden that are not produced in the Philippine Islands.

The VICE-PRESIDENT. The question is on agreeing to the amendment of the Senator from Kansas.

Mr. BRISTOW. I do not care to have the vote on that amendment taken now. I desire to submit another amendment to be voted on after the one I have just offered.

The VICE-PRESIDENT. The Senate must dispose of one amendment at a time; but the second amendment can be stated for information.

Mr. LODGE. As to the first amendment, as I understand——

Mr. BRISTOW. I do not want either of them voted upon just now.

The VICE-PRESIDENT. The Senator from Kansas has the floor. Does he yield to the Senator from Massachusetts?

Mr. BRISTOW. Yes.

Mr. LODGE. I want to see if I understand the first amendment. As I understand, the first amendment would admit all sugar into the Philippines at the rates imposed by their tariff.

Mr. BRISTOW. Of course, at whatever rate they impose.

Mr. LODGE. They impose a very low rate on sugar and it would admit sugars at a low rate into the islands, and then they could be exported to this country.

Mr. BRISTOW. It would permit them to fix the tariff on their sugar, the same as we permit them to fix the tariff on everything else.

Mr. LODGE. Exactly.

The VICE-PRESIDENT. The Secretary will state for the information of the Senate the second amendment proposed to be offered by the Senator from Kansas.

The SECRETARY. On page 2 of the printed amendment, beginning in line 11, strike out the words:

That, under rules and regulations to be prescribed by the Secretary of the Treasury, preference in the right of free entry of sugar to be imported into the United States from the Philippine Islands, as provided herein, shall be given, first, to the producers of less than 500 gross tons in any fiscal year.

Mr. KEAN. The Senator proposes to strike that out?

Mr. BRISTOW. Yes; that is the amendment. The purpose in striking that out is to give opportunity for the establishment of centrals in the Philippine Islands for the purpose of enabling them to equip themselves to produce sugar that can find a market anywhere in the world.

Mr. FOSTER. Mr. President, will the Senator allow me to interrupt him?

The VICE-PRESIDENT. Does the Senator from Kansas yield to the Senator from Louisiana?

Mr. BRISTOW. Certainly.

Mr. FOSTER. Under the first amendment all unrefined sugar, as well as the refined, will be admitted into those islands under such tariff regulations as may be hereafter adopted by

the Philippine government or provided by Congress for the Philippine government?

Mr. BRISTOW. Yes.

Mr. LODGE. If the Senator will permit me, of course the Senators are both aware that all Philippine tariffs are made by the Congress of the United States or subject to their approval; and it makes no difference whether we fix this matter here or fix it in the Philippine tariff. The Senator understands that.

Mr. FOSTER. I understand that. Does the Senator from Kansas think that if this amendment goes through—and I am opposed to the amendment—that it would be fair to the sugar producers of this country to permit the Philippine Islands to buy their sugar from Java and other surrounding countries at a low rate of duty, and then consume that sugar and ship all the products of the islands to this country free?

Mr. BRISTOW. Up to 300,000 tons.

Mr. FOSTER. To 300,000 tons.

Mr. BRISTOW. Yes.

Mr. FOSTER. Now, as to the next amendment——

Mr. BRISTOW. Just a moment, if the Senator will excuse me. I am discussing it from the standpoint of the interests of the Filipinos.

Mr. FOSTER. And I am discussing it from the standpoint of the American producer.

Mr. BRISTOW. I do not want the Senate to get confused or the Senator to get confused. The question as to whether or not we shall admit 300,000 tons of Filipino sugar into this market free is one question. That is a question that interests the American sugar producers as well as the Filipino sugar producers, and that is a question in which the Senator from Louisiana is very much interested. But I am discussing this from the standpoint of that which is for the best interest of the Filipino. I want to ask the Senator, if we agree to take 300,000 tons of their sugar, should we, in making that agreement in their interest, make it impossible for them to send but a small part of that sugar here? Is that in the interest of the Filipino?

Mr. FOSTER. I do not agree with the Senator, in the first place, that they will send only a small part of their sugar here. I believe that they will ship to this country the greater proportion of their sugar if this amendment passes. But I am looking at this subject from the standpoint of the American producer, and I ask the Senator, if this amendment of his passes, will it not permit the Filipino to import sugar from adjacent countries at a low rate, consume that sugar, and then ship the whole of the product of the islands to this country?

Mr. BRISTOW. Up to 300,000 pounds.

Mr. FOSTER. Yes, sir. As to the other amendment, I discuss that, again, from the American standpoint and not from the Filipino standpoint. The object of this amendment, as I understand, is to encourage the small farmer and the small and medium size producer of sugar in those islands, and prevent the exploitation of those islands by speculators from this country, from Germany, from England, and from other countries, by the erection of magnificent establishments which will be conducted purely in the interest of the exploiter and not in the interest of the Filipino.

Mr. BRISTOW. Let me ask the Senator from Louisiana, would he be willing for such a provision to apply to the State of Louisiana—limiting the production of any one sugar factory there to 500 tons?

Mr. FOSTER. I would not.

Mr. BRISTOW. Why? Because he thinks it would not be to the interest of the State of Louisiana to have such limitation; and if it is not to the interest of Louisiana to have such a limitation, why is it to the interest of the Filipinos?

Mr. FOSTER. I do not think it is to the interest of the American producer of sugar to encourage the exploitation of those islands by large corporations organized for the purpose of concentrating the sugar interests in the hands of a few people and practically destroying the development of the small farming interests of that country. That is the difference.

Mr. BRISTOW. Will the Senator from Louisiana again state from memory what is the average production of the sugar plants in the State of Louisiana; that is, of the factories?

Mr. FOSTER. They run from about 800,000 pounds to about seven or eight million, and some of them 15,000,000 pounds.

Mr. BRISTOW. I mean the average production.

Mr. FOSTER. Average production of what?

Mr. BRISTOW. Of the centrals in Louisiana. It is about fifteen hundred tons, is it not?

Mr. FOSTER. I do not exactly understand the Senator.

Mr. BRISTOW. There are, as I understand, in Louisiana 245 central sugar factories, that buy the cane from the Louisiana farmers, and there are about 12,000 farmers that raise cane, are there not?

Mr. FOSTER. I judge there are between ten and twelve thousand.

Mr. BRISTOW. It is to the interest of the cane grower of Louisiana to have a factory there that can produce high-grade sugar, is it not?

Mr. FOSTER. Certainly.

Mr. BRISTOW. And the more of those factories there are there that can turn out and make this centrifugal sugar, the better market there is for the cane that grows on the farm, is there not?

Mr. FOSTER. To a certain extent that is true.

Mr. BRISTOW. Take away those centrals, and return to that system which you once had, of making the muscovado instead of centrifugal sugar, and you would discourage the production, because it would not be so profitable, and you could not compete with that system with the centrifugal factory, could you?

Mr. FOSTER. No.

Mr. BRISTOW. The result of this limitation is to prevent the development of the sugar industry in the Philippine Islands.

Mr. FOSTER. No, sir; I do not agree with you in that.

Mr. BRISTOW. If it is necessary for the proper production of sugar in Louisiana to have these centrals to turn out this grade of sugar [exhibiting], why is it not in the interest of the Philippine Islands to have them?

Mr. FOSTER. The object of this amendment is to encourage the development of a small farming interest in that country. It does not exclude the importations from those islands of sugars produced in those large factories. It simply gives the preference to the small farmer as against the large refiner.

Mr. BRISTOW. The small refiner makes that sugar, does he not?

Mr. FOSTER. He can make the sugar, and he can make a much better sugar if he makes a million pounds of sugar.

Mr. BRISTOW. How? How much better than with the old muscovado system? It never gets above 89°.

Mr. FOSTER. I do not know.

Mr. BRISTOW. The centrifugal sugar drives the muscovado out of the market. You can not make a centrifugal sugar if you are forbidden by law to turn out more than 500 tons per annum. One would not put in a centrifugal plant under that limitation.

Mr. FOSTER. Yes; that is a million pounds of sugar. But this provision in the bill does not exclude from the markets of this country the sugar made in factories producing over 500 tons. It simply gives a preference to the small farmer of that country who wishes to ship sugar into this country, and it looks to me that unless some provision of this kind is in the bill you are practically going to have the small Filipino farmer wiped out of existence.

Mr. BRISTOW. Has he been wiped out of existence in Louisiana?

Mr. FOSTER. No; we are not the Filipino farmer. You are going to encourage the concentration of capital in these large refineries and large factories, by which they can absolutely dominate and control the prices which the small farmers are to have for their cane.

Mr. BRISTOW. Who will dominate the price of sugar under this law?

Mr. FOSTER. That sugar will come into this country.

Mr. BRISTOW. Who will buy it?

Mr. FOSTER. I think as a rule the sugar refiners will be the principal purchasers.

Mr. BRISTOW. Will anybody buy it except the refiner?

Mr. FOSTER. I do not think anybody else would buy it; but if you establish or permit the establishment of these large central factories in those islands, inviting German, English, and French capital, these factories will be established, and they will absolutely control the production of the small farmer in the price of his cane. That is one of the objections——

Mr. BRISTOW. The small farmer would sell his cane to the central.

Mr. FOSTER. For just what the central would give for it and nothing more.

Mr. BRISTOW. He sells it now to the agent of the American Sugar Refining Company for what it will give him. There is no other market. The central will seek a market for that sugar not only in the United States, but elsewhere. The central sugar factories are in every great sugar-producing country in the world except the Philippines, and the reason the Filipinos are producing only from 130,000 to 150,000 tons, when they used to produce a very much larger amount, is because of their crude methods. They make a sugar that will not sell in competition with Java sugars.

There would probably be fifteen or twenty or more central sugar factories established in the Philippine Islands if this 500-ton limit was taken out and the cane grower, instead of having to sell his sugar as it is now—sugars made in a crude way, with all the waste—would sell it to the central, the same as the farmer does in Louisiana. The central would afford a market. They could sell the centrifugal sugar they produce the same as is done in Louisiana. They could sell it to the trust or in China or any place else, and they would have a quality of sugar which would compete with Java sugar. This amendment of mine is solely in the interest of the Filipino, to give him a better market for his cane than he now has.

The Senator from Louisiana can not lose sight of the fact that it will make a sugar that will be more popular in the United States, that will find a more ready market here, and it will develop the sugar business there, so that the 300,000 tons, which is the limit, will come in probably within a very short time. I am discussing this matter from the standpoint of the best interest of the Filipino and not from the standpoint of whether or not we should extend to them this market for 300,000 tons. I am protesting against extending to them this market and then depriving them of the use of it in the most advantageous way after it is extended. If it is not for the best interest of the American people to open a market here for 300,000 tons of Philippine sugar, then vote down the amendment and this provision; but if we are going to open this market for 300,000 tons of their sugar, I want to appeal to the Senator and ask him if he thinks it is right to prevent them from putting in and establishing the same kind of factories that will make the same kind of sugar that is made in every great sugar-producing country in the world?

Mr. BURKETT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield to the Senator from Nebraska?

Mr. BRISTOW. Certainly.

Mr. BURKETT. I should like to ask the Senator a question. As I understand him, from his address, he is objecting to the admission of the 300,000 tons.

Mr. BRISTOW. I am not now——

Mr. BURKETT. He is objecting to the details under which it will be admitted.

Mr. BRISTOW. That is exactly it.

Mr. BURKETT. As I understand him, he objects to giving the first chance in this market to the man who produces less than 500 tons. Let me ask him a question. Where does he get the idea that you can not start a centrifugal for quantities of less than 500 tons?

Mr. BRISTOW. I get that in talking with sugar men, sugar producers.

Mr. FOSTER. If the Senator will permit me, there are factories of that kind in my State, and quite a number of factories that produce less than a million pounds of sugar, and they are doing very well. I do not consider that this provision will in any manner prevent the erection of those small factories. I think it will discourage—I doubt if it will prevent—the erection of these tremendous factories which would destroy the small factory and absolutely control the price of the raw material in those islands.

Mr. BURKETT. I want to ask the Senator another question. I want to get the Senator's idea. I understand, as a matter of fact, there are such centrifugals, and the Senator from Louisiana confirms it. If there are any of these over there, certainly the Senator would not object to their taking the first place in this market. But let me put this question to the Senator: Three hundred thousand tons is contemplated to take in all the Philippine sugar for export. So, with that provision in or out, they can go ahead and organize centrifugal factories there for even twice that much or three times that much, and we will get all the sugar that they produce in the Philippine Islands into the United States free of duty in any form they want to put it. Is not that the fact?

Mr. BRISTOW. No. The Senator is mistaken as to that.

Mr. BURKETT. This bill, as I understand it—and I have looked over the figures—contemplates 600,000,000 pounds. That is more sugar than they will export. It is more than they have ever exported. It is calculated to take care of all the sugar the Philippines have for export now or will have for some years to come. With that provision in there, I can not see what difference it makes whether they can successfully operate centrifugals under 500 tons or whether it takes two or three times that much. But it does give the preference to the small producer of sugar, which, it seems to me, is a good thing, provided we are going to admit all this sugar into competition with the sugar we produce in the United States.

Mr. BRISTOW. Referring to the statement of the Senator from Nebraska, there are, so I am informed by a representative of the Insular Bureau whom I saw the other evening and who returned from the Philippines a short time since, no centrifugal factories in the Philippine Islands. They do not make any centrifugal sugar there. In talking to some sugar planters and some representatives of sugar refineries I was told that there could and would be no successful development of centrifugal sugar factories in the Philippine Islands as long as the 500-ton limit was in, because after the centrifugal factory was put in it might be a year or two until they would not have the privilege of the American market, because the 300,000 tons would be imported. My judgment is that under proper provisions the 300,000 tons will soon come in from the Philippine Islands.

Mr. BURKETT. But the proprietor of the 500-ton centrifugal would always have the first chance, even if it does go over 300,000 tons.

Mr. BRISTOW. The statements of the Senator from Louisiana are not in harmony with the information I have received from other sugar planters and men——

Mr. FOSTER. What statement is that?

Mr. BRISTOW. That it was practicable to establish centrifugal factories under a limitation of only 500 tons per annum. I am told that in order to have a centrifugal that limitation would have to be removed.

Mr. FOSTER. I will say to the Senator that the tendency of sugar manufacture in my State in the last four or five or six years—probably longer—has been toward the concentration in large factories.

Mr. BURKETT. We can not hear the Senator.

The PRESIDING OFFICER (Mr. KEAN in the chair). Will the Senator kindly speak a little louder. It is impossible to hear him.

Mr. FOSTER. It has been toward the concentration of the manufacture of sugar in large factories. There are now, and there were before this tendency took place, numbers of sugar factories that made less than a million pounds of sugar, and there are quite a number now in our State, and some of them are in my parish, making seven hundred thousand to a million or twelve hundred thousand pounds, although the tendency has been toward the absorption into the large factories.

Mr. BRISTOW. Does the establishment of large factories work against the interest of the cane grower?

Mr. FOSTER. That depends entirely upon the number of those factories. If there are a sufficient number to establish anything like competition, it is in the interest of the cane grower. But if they are not in sufficient numbers to excite competition, it is almost destruction to the cane sugar, because the central sugar factory then fixes absolutely the price of the raw material.

Mr. BRISTOW. Yes; that is reasonable and is perfectly natural. We are facing that condition now, so far as the Filipinos go. As it is, he is producing this sugar [exhibiting]. This law makes the American Sugar Refining Company his only purchaser; the only customer he has. To establish a number of centrals in the Philippines would give the cane grower the competition which might exist locally between those centrals. It is a presumption that is altogether unwarranted that there would be but 1 central when there is a market for 300,000 tons; there would be 15 or 20. There are hundreds in Louisiana, where there are produced about 350,000 or 400,000 tons at most. You have 245 centrals in Louisiana now, and Louisiana is producing about 350,000 tons. The largest number of these centrals that ever existed there, if I am correctly informed, is about 300. They have been concentrated until the number has now been reduced to 245. The smaller ones are not able to turn out as good a quality of sugar as economically as the large ones.

Mr. FOSTER. Oh, just as good.

Mr. BRISTOW. Is the quality just as good?

Mr. FOSTER. The process is the same.

Mr. BRISTOW. Where is the market for the better grade of the centrifugal sugars like this [exhibiting]? You rarely send that sugar to the refinery. That is sold in the South to the trade—the candy makers, grocers, and so forth. Now, which would be better for the Filipino—to have exclusively and only the American Sugar Refining Company as the customer for his product, located in New York, or to have 20 or more centrals in the islands seeking his cane, to turn it into sugar, which they would sell either to the American Sugar Refining Company, or in Japan or China, or any place else where they could get the best market? Which would be better for the Filipino? I am not discussing this from the standpoint of American interest, but that of the Filipino.

Mr. FOSTER. The Filipino sugar producer has always had China and Japan for his markets.

Mr. BRISTOW. Until it was taken away from him by Java, by making a much better sugar.

Mr. FOSTER. So that the passage of this amendment or this bill will not in any manner give any better advantages to the Filipino than he enjoyed before its passage.

I want to say to the Senate there is little or no money among the Filipino people generally. The sugar producer and the sugar planter is in rather a poor condition financially. Under this bill there is an opportunity for the Filipino himself to establish these small factories, and I believe that he will do it unless the foreign exploiter goes in there and establishes these mammoth factories, which will practically drive him out of the market. From the Filipino standpoint, in my judgment, the elimination of this provision of the bill would be the worst for him, because he can not get among his people and among the landowners there sufficient capital to establish one of these tremendous sugar factories. If these sugar factories are established, they are going to be established by foreign capital, and those refineries are going to be established just only in so far as they will benefit foreign capital.

They will not be established for the benefit of the Filipino cane producer. They will be established solely in the interest of these exploiters, and they are going to exploit those islands just so long as the experiment proves advantageous and furnishes a return upon their capital.

I do not believe with the Senator that there will be these factories established in such numbers as will beget competition among the factory builders. I believe the result of factory building and the centralization of the manufacture of sugar in the hands of these mammoth central concerns will be the worst thing possible for the Filipino cane producer and the Filipino cane manufacturer, because he can not furnish the capital. The foreign capitalist will only furnish it in such quantities as will make a handsome return on his investment.

Mr. BRISTOW. Let me inquire of the Senator what has been the result of the concentration or the erection of these larger central factories in Louisiana. Has that been for the best interests of the cane growers of Louisiana or not?

Mr. FOSTER. In some sections of the State it has been for the benefit of the sugar-cane grower, for the reason that they have been established in sufficient capacity and numbers to create competition. But where those factories have gone in other localities they, as a rule, have reduced the price to the cane producer—the cane grower—to just exactly what price they saw fit to pay for the raw material.

Fortunately for us, railroads have sprung up in all the different sections in the sugar-producing portion of the country, and there is competition within a radius of 100 miles. But unless we have that railroad competition these large factories would bear down—and the Senator can see it is reasonable that it would be so—the price of the raw material and pay for it as little as possible.

Mr. BRISTOW. Just as the American Sugar Refining Company does with the Louisiana product.

Mr. FOSTER. Just about that.

Mr. BRISTOW. The question from the standpoint of the Senator is whether the central will bear down the cane grower harder than the American Sugar Refining Company. Would the Senator object to having this limit—instead of being 500 tons—fixed at the average amount produced by the factories now located in Louisiana and have that as the limit instead of 500 tons?

Mr. FOSTER. How was that? My attention was distracted for the moment.

Mr. BRISTOW. The average production of the sugar factories in Louisiana is about 1,500 tons a year. Now, instead of having a limit of 500 tons a year, which makes it impracticable, at least, to have a central factory located, say that that limitation be raised to the average production of the 245 facories now in existence in Louisiana. Then these mammoth institutions could not be established—not so much as they are in your State—because the production would be limited to the average. Would not that, then, open up an opportunity for investors to put in a central mill, believing that they could find their market for its full capacity?

Mr. FOSTER. Senator, my judgment is that these large factories, if established in the Philippines, will be established by foreign capital entirely.

Mr. BRISTOW. Just as in Cuba and in Java and everywhere else. Of course, the Filipino has not the money to put up a factory. It will be established by Englishmen, Germans, or Americans.

Mr. FOSTER. The Americans have gone to Cuba and established these large factories.

Mr. BRISTOW. All sugar factories in tropical countries have been put up by foreign capital.

Mr. FOSTER. I do not know the exact number, but I understand very few of the old Cuban people have established any factories of any consequence.

Mr. BRISTOW. There never were sugar factories built by the Cubans themselves. They were always Spaniards or Englishmen or Americans.

Mr. FOSTER. I do not want to see take place in the Philippine Islands what has taken place in Cuba. That is just exactly what this bill is providing against.

Mr. BRISTOW. Is there any cane-producing country in the world where the native population has established the factories? The very conditions surrounding the cane-growing regions seem to prevent that. The only purpose I have is to offer an opportunity for the establishment of central factories that will furnish a market to the Filipino for his cane and not compel him to grind it in an old wooden mill and turn out that kind of stuff [exhibiting] which practically has only one purchaser, and that is the American Sugar Refining Company.

Mr. FOSTER. Of course the Senator knows that the process of making sugar in the Philippines is a very crude and primitive process, but there are a great many intermediate processes which will make a decided improvement upon that process.

Mr. BRISTOW. This is the best [exhibiting]. That is 89 sugar.

Mr. FOSTER. The Filipino has made no progress at all in making sugar. The brown sugar which is so earnestly yearned for, especially by the Senator from South Carolina [Mr. TILLMAN], can be successfully made by the Filipinos in small factories. That used to be the process in Louisiana. The process had to be changed because they could find no market for their sugar. The Filipino people can build up gradually those processes, and I have no doubt that under this bill, with the preference given to the Filipino, he will diligently build up a better process and a cheaper process for making his sugar.

Mr. BRISTOW. There is no doubt that if you will raise this limitation to an amount that will justify capital in establishing a centrifugal factory that will make a good quality of sugar, you will greatly encourage the production of sugar in the Philippine Islands, and you will make a better market for the farmer who grows the cane; and you will enlarge the market not only in the United States but elsewhere for the product of the sugar mills. But with this 500-ton limitation the tendency is to keep down that result, to prevent him from making the quality of sugar which will find a market in the world's market.

My purpose in seeking to remove this limitation or to increase it is for the purpose of giving him an opportunity to develop the sugar there the same as in every other sugar-producing country in the world. I have asked Senators to consider this merely from the standpoint of the Filipino, not from the standpoint of the Filipino as a competitor with Louisiana. I am asking the Senator from Louisiana to give the Filipino an opportunity in the Philippine Islands under the same conditions that exist in his own State. The mills that produce this sugar [exhibiting] now turn out from 50 to 100 tons, as they did in Louisiana before centrifugal factories were established. But would the Senator from Louisiana turn back to the old way? Does he seek by this to prevent the Filipino from making the progress he has made and which his State has made? That is the result that is sought by this legislation. Under the pretense of building up a market here for 300,000 tons of his sugar and helping him you are putting an impediment here that makes it practically valueless to him, and that is what I am objecting to.

Now, as to whether the importation of this sugar would be desirable from the standpoint of the American sugar producer, that is a different question. It depends wholly upon another proposition, and I am perfectly willing to consider that later. It is a question as to whether we are willing to jeopardize the interests of the American sugar producer to the extent of admitting 300,000 tons more of tropical cane sugar to compete with it. That is all there is in that. If that is not desirable, and if a majority of the Senate believes that it ought not to be done, then they will vote against the amendment offered by the committee. But if it is to be done, I want to ask the Senator if it should not be extended in the way that will be of the greatest benefit to the Filipino? If you want to help him, do not put in an impediment that will prevent him from finding a market except with one corporation for the sugar that he produces.

The Cuban has not received any very large benefit from the 20 per cent reduction in the tariff duty on Cuban sugar. The Filipino has not received any from the 25 per cent reduction, because he is not sending as much sugar here now as he did before. Last year there was a small importation as compared with the year before. Take all the duty off instead of 25 per cent, and he will get, I think, some benefit, but he will get very little. If you will fix the limit at 1,200 tons or 1,000 tons, and

if 300,000 tons are ever imported, there would have to be 30 or more factories to make it. Then there would be competition. It could not all be absorbed by any one institution. Would it not be better for the Filipino to raise the limit to 1,000 or 1,200 tons than to leave it at 500? Would it not be better for him to have that limitation, which is less than the average production of the 245 factories that now exist in Louisiana?

Mr. FOSTER. Is the Senator asking me a question?

Mr. BRISTOW. Yes.

Mr. FOSTER. I do not think so.

Mr. BRISTOW. Why is it not better to have as good factories in the Philippines as in Louisiana?

Mr. FOSTER. Because conditions are entirely different. The factories in Louisiana are built up very largely by individual capital. It has been the outgrowth of many years. Our own people build their factories. Very frequently the factories are built by the owners of large plantations. But in the case of the Philippines, the Filipino himself is not going to be able to establish any such factory as the Senator wishes. The factory must be established by foreign capital. The Filipino then will be practically driven out of the market so far as the erection and construction of any small factory is concerned, and the cane producer will be practically at the mercy of the large central factory.

In my judgment, if you allow this provision to remain there will be hundreds and hundreds of factories with a capacity of from 800,000 to 1,000,000 pounds that will spring up over those islands. At least I am afraid that they will do so, because I am not in favor of encouraging the production of the sugar interest of the Filipinos to the detriment of the sugar interest of our own country. But it is my deliberate judgment that if this preference is given to this million pounds of sugar, or 500 tons, if you please, it will encourage the establishment of small sugar factories in those islands by the Filipino people themselves. If you are looking for their benefit, it looks to me that this is more favorable to them than to encourage the establishment of large central factories. This does not prohibit the establishment of those factories, but it simply gives a preference in these markets to the product of the smaller factories. It appears to me that it is to the interest of the Filipino, if you consider it from that standpoint, to have this limitation placed upon the importation.

Mr. BRISTOW. The Senator does not believe that there will be any central factories established in the Philippine Islands under this legislation.

Mr. FOSTER. I have no doubt of it, absolutely none in the world, because the sugar-factory interests in my State during the earlier period of their establishment were largely small factories producing, some of them, I think, not over 500,000 pounds, running up to 700,000 to 1,000,000 to 1,200,000, some of them now to over 20,000,000. But those sugar factories did fairly well. Of course the Senator understands that with the concentration of large factories, the employment of fewer people, and the economies practiced they can make the sugar cheaper than smaller factories can; but this has been a process that has been worked out gradually in our State. I have no doubt if this measure passes it will encourage the establishment of the smaller factories and will result in competition all over the island for the raw material. Otherwise, I am afraid that the factories will be the large central factories built by foreign capital and will deter and prevent the development of the sugar manufacture in small factories, looking at it from the Filipino standpoint.

Mr. BRISTOW. The information which comes to me—and I think the Senator from Louisiana will not be able to controvert it—is that the successful development of sugar production in every country in the world at this time demands that sugar be made by the centrifugal process, and with the limitation of 500 tons a year to be produced it is not an inviting field for the establishment of this kind of sugar factories. The sugar factory is the market place for the cane grower. It is just like the creamery business in the West. The farmer gets a great deal more for his cream than when his wife used to make it into butter and sell it at the country store. The large creamery is making a market for the cream that is separated from the milk on every farm in the country, and nobody can deny that it has given the farming community a very great increase in the profits on their milk.

To refuse to permit the establishment of central sugar factories that can take this cane and grind it in an economical way, so as to get the greatest result, is to refuse to permit the Filipino to utilize the processes and the results of modern development and thus cheapen the production of his sugar. The sugar production of the islands is now at a very low stage, and it is to help it that we are trying to legislate here; and it is proposed to incorporate into the legislation the very provision which would prevent us from doing them the good we are seeking to do.

Mr. FOSTER. The Senator does not mean to say that this will prevent the establishment of the large factories?

Mr. BRISTOW. Certainly.

Mr. FOSTER. Simply because a preference is given to the markets of this country?

Mr. BRISTOW. No man with capital to invest is going to invest his capital in a sugar factory when he can produce but 500 tons a year and find a market for it, because the expense is too great for that amount of production.

Mr. President, I want to withdraw the second amendment that I offered, and offer a substitute for it. In line 15 I strike out "five hundred" and substitute "one thousand." That is the second amendment. I will wait until the first amendment has been acted upon.

Mr. LODGE. One amendment is pending. The second amendment can not be voted on now.

Mr. NEWLANDS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Nevada?

Mr. BRISTOW. Certainly.

Mr. NEWLANDS. I wish to make an inquiry of the Senator. I understand that he is urging that in order to help the Filipinos, it is necessary to enable them to avail themselves of modern methods in the production of sugar.

Mr. BRISTOW. Exactly.

Mr. NEWLANDS. Modern methods involve, first, a plantation on a large scale; second, a radial railroad to bring in the cane to the central factory; and, third, a central factory. I understand these things are lacking in the Philippine Islands, and to the lack of these things is attributable the inferior quality of their sugar and the smallness of the output.

Mr. BRISTOW. That is correct.

Mr. NEWLANDS. I understand the Senator is not as yet committed to the committee amendment, but that he is simply arguing now on the question as to whether it is desirable to admit Filipino products free into our country, and the question as to what is the best policy for the Filipino in case we do. I will ask him whether this is not a very involved way of giving the Filipino people a subsidy? Under the amendment the Filipinos will be entitled to bring into this country 300,000 tons of sugar duty free, and if that sugar is of high quality, as it doubtless will be if large interests engage in its production there, it means that that sugar will escape a tariff duty of about $35 a ton, which would otherwise be paid into the Federal Treasury, making a total for the entire year of ten and a half million dollars. That is the subsidy which it is proposed the United States Government shall pay in order to stimulate the Philippine production of sugar.

Mr. BRISTOW. I think the Senator's question bears upon——

Mr. NEWLANDS. I just want to complete my question. Now, I ask the Senator whether, if this subsidy is contemplated, aggregating from nine millions to ten and a half millions annually, in order to stimulate sugar production in the Philippines, it would not be better to directly appropriate a portion of that $10,000,000 and spend it in the construction of radial railways and of great mills, as public utilities, and thus enable the Filipinos to produce sugar and to contend with the world's prices instead of the high, subsidized prices that exist in America; and whether we will not help the Filipinos more if we enable them by such direct aid involved in so large an expenditure of money to compete with the world for the world's prices than if we give them a subsidy which will forever fasten them upon the subsidy bottle and will absolutely unfit them for continuance in the world's markets?

Mr. BRISTOW. I think the Senator's question bears upon the desirability of permitting the 300,000 tons to come in more than to the immediate question as to whether this limitation should be made.

Mr. NEWLANDS. That is true; but I am considering now the question simply in the interest of the Filipinos themselves, whether it is not best for us by direct appropriation to instruct them in improved methods of agriculture, to give them the public utilities necessary to transport their cane to the mill and to crush the cane in the mill, and thus fit them to contend with the world in the world's markets in the production of sugar, instead of fastening them upon this subsidy bottle in the United States, the result being that if the islands are once parted from us, as we all hope they may be, there will be a collapse of the industries of the islands, for they will be utterly unable then, accustomed as they will be to the stimulated and subsidized prices of America, to accept the lower prices of the world.

I am arguing the matter just as the Senator is, from the standpoint of the interest of the Filipino people, with a view to making them a self-supporting people, a separate entity in the civilized world, capable of having their own fiscal system, uncomplicated with that of the United States.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Utah?

Mr. BRISTOW. Certainly.

Mr. SMOOT. The Senator from Kansas several times during his speech made the statement that no one but the American Sugar Refining Company could handle the Filipino sugar and refine it. I have a letter from Doctor Niese, in which he says:

Referring to Philippine sugars, I want to confirm what I stated to you in my letter of April 15, that every refinery in the United States can use the present grade of Philippine sugar for refining purposes, and, if properly handled and equipped, should be able to use it to the same advantage as other raw sugars.

I am just in receipt of the following telegram in answer to one I sent to Willett & Gray, of New York:

NEW YORK, *June 14, 1909.*

Hon. REED SMOOT,
United States Senate, Washington, D. C.:

Philippine Islands sugar was sold this year 2,800 tons to McCahan refinery, Philadelphia; also last year 5,000 tons to McCahan and 4,000 tons to Arbuckle refinery; also three years ago 3,000 tons to Howell refinery and 3,000 tons to Arbuckle refinery.

WILLETT & GRAY.

Mr. BRISTOW. That is a very small part. I did not say every bit of it; I said practically all of it; and the Senator simply says that 5,000 tons were handled by the Philadelphia refiner; and it is true that the Philadelphia refiner has handled more of the Philippine sugar than any other except the American Sugar Refining Company.

Mr. SMOOT. The only object I had in bringing it to the Senator's attention was to correct the idea that he gave me, at least, that the American Sugar Refining Company is the only concern that handles Philippine sugar.

Mr. BRISTOW. It is practically the only concern. There have been some individual sales now and then, but the market for the Philippine sugar is the American Sugar Refining Company. A representative of the Bureau of Insular Affairs called upon me and I asked him the direct question, and he said it was a matter of fact that practically all of it was sold to the American Sugar Refining Company. I talked with the representative of the Federal Refining Company, and he said the American Sugar Refining Company is the only one that handles to any advantage the Philippine sugar; that some other refineries occasionally bought some of it, but they did it under a stress of circumstances; that it was undesirable, and that they were not equipped to handle it; that practically the American Sugar Refining Company was the only market for the sale of this sugar; that other refiners took it when they could not get all the Cuban or other sugar they needed; that Filipino sugar was not coming to the United States so much as it did last year, because of the uncertainty of the market for the sugar.

Mr. SMOOT. The only object I had was to call attention to the fact that the American Sugar Refining Company is not the only concern that can handle that sugar, for there are three refineries here that can handle it and can refine the sugar. As to the amount of sugar purchased by each one of the refineries, I have nothing to say, but I do say that at least three of the refineries in the United States have purchased Philippine sugar and refined it in this country.

Mr. BRISTOW. Occasionally there are conditions when, of course, if the American Sugar Refining Company refuses it, it would have to find a market somewhere, if it is here. These small purchases are insignificant. The largest purchase given is only one-seventh of the entire amount imported during one year. If six-sevenths has to find its market with the American Sugar Refining Company, it is practically the only market for it.

To repeat what I said, the result of this legislation is to prevent the Filipinos from developing the sugar production of their islands, from producing a sugar that will command a market throughout the country, to confine their market to one institution in the United States, the American sugar trust, and, in addition to that, you compel the Filipinos to buy refined sugar from the United States and cut them out from the markets of the world, which they have always heretofore enjoyed. That can not be denied, for it proposed to put the same provision in the Philippine tariff law that we have in our tariff law, including the Dutch standard.

Whether we are justified in giving the Filipinos the market for 300,000 tons of sugar is not the question I am discussing. If the provisions of this law are made so that they get the highest and largest possible advantage from this favor which we propose to extend to them, we ought not to impose the burden upon them of purchasing their refined sugar from us at exorbitant prices, as they will have to pay. Unless the provisions in the bill are changed, I can not see how any Senator can vote for the measure if he wants to help the Filipino.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Utah?

Mr. BRISTOW. Certainly.

Mr. SMOOT. The Senator certainly must know that President Taft spent a great deal of time in the Philippine Islands, and that he is deeply interested in the welfare of the Filipino people. I want to say that this provision is indorsed by President Taft, and he thinks it is for the benefit of the Filipino people.

Mr. BRISTOW. If the Senator from Utah will indorse the other declarations of President Taft in regard to the revision of the tariff now pending, we can soon come to an agreement in this Chamber. The President has demanded a revision of this tariff by reducing the exorbitant duties that are now in the present law, but his promise to the American people goes unheeded by the members of the Finance Committee of this body.

I can say no one has a higher regard for the President of the United States than have I, and the fact that he feels that it is a duty we owe to the Philippine Islands to give them this market is the only reason that I have considered at all the proposition we have here.

Mr. BULKELEY. I should like to ask the Senator from Utah a question.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Florida?

Mr. BRISTOW. Certainly.

Mr. FLETCHER. Mr. President, just a moment. I wish to suggest to the Senator further what would appear to me the unfairness and injustice of this proviso to the growers of tobacco in this country.

Mr. BRISTOW. If the Senator will pardon me, I would rather that the tobacco discussion would come up under tobacco, as I am only considering sugar. I take it for granted that there are others here who are very much interested in the tobacco production. If the Senator will pardon me, I would a little prefer that he will offer whatever suggestions he has to make in regard to tobacco when the tobacco provision is being discussed.

Mr. FLETCHER. I was simply going to recur just a moment to one of the provisions in the amendment affecting tobacco. I agree to some extent with what the Senator has said regarding sugar. I am opposed, however, to the entire proviso. I do not believe that there ought to be any provision in the bill for the admission of sugar or tobacco or cigars from the Philippines free of duty. I submit that already, as has been indicated by the Senator very clearly, they have advantages sufficient over there to take care of themselves, and, as suggested by the Senator from Nevada [Mr. NEWLANDS], they ought to begin to learn to work out their own salvation, with such encouragement as we can give in the right directions.

I do not believe that we ought to go to this extent in endeavoring to take care of the Filipinos, nor do I believe we will work out permanent benefits to the Filipinos by provisions such as are submitted by this amendment.

I quite agree in part with the Senator regarding his position on sugar. I submit also that in connection with this same amendment it is proper to observe that it is unfair and unjust to the growers of tobacco to admit 300,000 pounds of wrappers into this country free; that it is unjust and unfair to them to admit 1,500,000 pounds of fillers free of duty; and that it is unjust and unfair to the manufacturers of cigars in the United States to admit 150,000,000 cigars free of duty. Nor should we sacrifice the revenue on these commodities.

Mr. BRISTOW. I will ask the Senator to defer that discussion until it will apply.

Mr. FLETCHER. I will, of course, comply with the wish of the Senator. I only want to conclude in a few words, which will show the relevancy, my hope being to have the Senator favor striking out of the substitute the word "Provided" where it first appears and all that follows it. What I am saying is in line with the whole discussion with reference to this amendment, it seems to me. I thought it proper to direct the attention of the Senate to other provisions in this amendment or substitute, and urge that the whole proviso ought to be defeated. In addition to all that, both the provision with reference to sugar and the provisions with reference to tobacco will have the effect, I submit, of enlisting and fastening in the Philippines American capital and American interests to such an extent that it will postpone, if not prevent, the final independence of those people.

I hope to see the day, so far as I am concerned, when the Filipinos will run up the flag of the new Philippine Republic.

We can not expect that day to come when sugar interests and tobacco interests will have exploited those islands and become largely concerned in the development of those several interests on their own account. The proposed amendment encourages that prospect. So, I submit, it is not to the best interest of the Filipinos themselves nor is it wise on our part to indulge in a policy such as is contemplated by the amendment.

Mr. BRISTOW. I should like to inquire of the Senator from Utah which specific provision it is that the Senator thinks the President is anxious to have enacted?

Mr. SMOOT. I think he is anxious to have the whole paragraph enacted. I do not feel like holding out any one particular part of the paragraph, but I think——

Mr. BRISTOW. Does the Senator think that the President indorses the policy of compelling the Filipinos to buy American refined sugar?

Mr. SMOOT. That is a question, of course, as to construction. The Senator from Kansas puts that construction on it. I do not think the President puts that construction on it.

Mr. BRISTOW. Does the Senator from Utah think that under this provision the Filipinos will buy their refined sugar as they are buying it now, from other countries, instead of from the United States?

Mr. SMOOT. As I understand it, the Filipino people are not buying refined sugar.

Mr. BRISTOW. Does the Senator claim that they are using their own sugar to-day? If so, he is entirely mistaken. They are buying it in large quantities.

Mr. SMOOT. How much sugar do they buy?

Mr. BRISTOW. I have the amount right here. They bought, in 1908, the following amounts from the following nations: From the United States, 8,739 pounds——

Mr. SMOOT. I want to tell the Senator what kind of sugar it was. It was cube sugar, the finer sugar, and it was bought in the islands by Americans there.

Mr. BRISTOW. It is refined sugar, is it not?

Mr. SMOOT. It is bought by the American people living there.

Mr. BRISTOW. Has not an American living in the Philippine Islands some rights?

Mr. LODGE. There were 4 tons bought.

Mr. BRISTOW. Much more than that. From the United Kingdom they purchased, last year, 3,104 pounds; from Germany, 160,905 pounds; from the Netherlands, 906 pounds; from China, 12,553 pounds; from Hongkong, 2,922,000 pounds; from the British East Indies, 17,530 pounds, and so forth. In all, they purchased 3,197,799 pounds of refined sugar last year. They bought that from the different markets as other countries buy it.

This provision not only compels them to sell their crude sugar to the American Sugar Refining Company in the main, but it also imposes upon them the excessive tax of $1.90 per hundred pounds on all refined sugar that they might buy from other countries for their own consumption. It imposes the No. 16 Dutch standard into their sugar tariff, and it imposes a heavier tax on the sugar they purchase than on any other commodity that they use, except tobacco. Why should that be done?

Mr. LODGE. The reason is perfectly obvious, Mr. President. It is to prevent the introduction of foreign sugars there and the export of foreign sugars to this counry under the guise of Philippine sugars.

Mr. BRISTOW. Certainly; and why can they not introduce other kinds of merchandise and export it here the same way? Is sugar the only article that they use that they could export from the Philippines here?

Mr. LODGE. It is the only article on which any extensive fraud of that kind is likely to take place.

Mr. BRISTOW. I beg to disagree with the Senator. There are a thousand articles they could import fraudulently; for instance, cotton goods or woolen goods, or wools or any other similar article. They do not produce wools there now, though they might at some future time, but anything that they produce there they could send here in the same way.

Mr. LODGE. The duties on everything except sugar and tobacco are the duties of the Philippine tariff.

Mr. BRISTOW. Why should not the same duties of the Philippine tariff apply to tobacco and sugar imported into the Philippines as to other commodities?

Mr. LODGE. The other commodities are under a different rate entirely.

Mr. BRISTOW. They come in here free.

Mr. LODGE. Certainly; they come in here free.

Mr. BRISTOW. There is no limitation.

Mr. LODGE. If they are manufactured in the Philippine Islands.

Mr. BRISTOW. Certainly. So sugar comes in exactly under the same provision now, and the same provision applies to foreign sugar that might be imported into the Philippine Islands and exported here that applies to every other article of merchandise. All other articles of merchandise, except rice, tobacco, and sugar, come into the United States from the Philippines free if a Philippine product. Why should not sugar come in in the same way and be placed upon the same basis, because, in my judgment, there is no more danger of fraud in sugar than in any other article that comes here?

Mr. LODGE. That may be the Senator's judgment, but my own impression is that it would be much more serious. All the money, however, collected as revenue on sugar goes into the Philippine treasury. None of it comes to us.

Mr. BRISTOW. Certainly; and there will be none collected on refined sugar, as there is none collected on refined sugar in the United States of any consequence. It simply means that you will confine the opportunity of the Filipinos to purchase refined sugar to the United States; compel them to buy it from us, and impose upon them this burden which, in my judgment, has been very unjustly imposed upon the American people.

Mr. LODGE. Mr. President, if we are going to limit the amount of sugar and tobacco to the production of the Philippine Islands, I think we ought to take every precaution that that sugar and tobacco should be the product of the islands, and that it should not be the product of Java or some other place.

Mr. BRISTOW. I am in absolute accord with the Senator on that. I believe that the same provision should be applied to sugar which applies to other articles of commerce, because it is not intended that other Philippine products that come to the United States shall be brought from any place else. It is simply a limitation that applies generally, and it ought to be applied to sugar the same as to other articles of commerce.

Now, Mr. President, I think I have covered this point; but I want to repeat, with all the emphasis that I can, that the limitation placed in this bill opens up a market in fact for 300,000 tons of raw sugar for the American Sugar Refining Company at its own price. It helps to some extent the sugar producer of the Philippines, and it greatly increases the cost of the light-colored raw and refined sugars to the people of those islands; but it also fastens the grip of the sugar trust upon the sugar commerce of those islands. It will fix the price that it will pay them for their raw sugars and the price that the people shall pay to it for all the other grades of pure and refined sugar that the people of the islands consume.

Mr. NEWLANDS obtained the floor.

Mr. STONE. Mr. President, I ask the Senator to yield to me for a moment.

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

Mr. NEWLANDS. I yield to the Senator from Missouri.

Mr. STONE. I desire to offer an amendment, and to have it pending.

Mr. BULKELEY. I inquire what is the amendment pending at this moment?

The VICE-PRESIDENT. The amendment pending is the one offered by the Senator from Kansas [Mr. BRISTOW].

Mr. STONE. I understood the Senator from Kansas——

The VICE-PRESIDENT. The Senator from Kansas had also read another amendment, which he stated he intended to offer as soon as the first one was disposed of.

Mr. STONE. But he did not wish to have them acted on at this time.

Mr. BRISTOW. I am ready to vote now on the first amendment that I have offered, and any further amendments may be voted on afterwards.

Mr. STONE. I will offer this amendment, with the consent of the Senator, in his time and have it pending.

The VICE-PRESIDENT. The proposed amendment will be read for information, with the understanding that it is to be offered by the Senator from Missouri as soon as the other amendments are disposed of.

Mr. STONE. Intended by me to be offered at that time. The amendment is to insert at the end of the amendment the words I send to the desk.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to insert at the end of the paragraph already agreed to the following:

And provided further, That it is hereby declared not to be the policy and purpose of the United States to maintain permanent sovereignty over the Philippine Islands, but to exercise authority in and over said islands only so long as may be necessary, not to exceed fifteen years from and after the passage of this act; to organize and establish a native government capable of maintaining public order in said islands, and until such international agreements shall have been made between the United States and foreign countries as will insure the independence of said islands and the people thereof.

Mr. BULKELEY. Mr. President——

The VICE-PRESIDENT. Does the Senator from Nevada yield to the Senator from Connecticut?

Mr. NEWLANDS. Certainly.

Mr. BULKELEY. I should like to suggest the absence of a quorum.

The VICE-PRESIDENT. The Senator from Connecticut suggests the absence of a quorum. The Secretary will call the roll.

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

Bacon	Crane	Heyburn	Piles
Bankhead	Crawford	Hughes	Rayner
Borah	Cullom	Johnson, N. Dak.	Root
Bradley	Cummins	Johnston, Ala.	Scott
Brandegee	Davis	Jones	Simmons
Briggs	Depew	Kean	Smith, Md.
Bristow	Dick	La Follette	Smith, S. C.
Brown	Dillingham	Lodge	Smoot
Bulkeley	Dixon	McCumber	Stephenson
Burkett	Dolliver	Martin	Stone
Burnham	Elkins	Money	Sutherland
Burrows	Fletcher	Nelson	Taliaferro
Burton	Flint	Newlands	Tillman
Carter	Foster	Nixon	Warner
Chamberlain	Frye	Oliver	Warren
Clapp	Gallinger	Overman	Wetmore
Clark, Wyo.	Gore	Page	
Clay	Guggenheim	Perkins	

Mr. CRAWFORD (when Mr. GAMBLE's name was called). My colleague [Mr. GAMBLE] is necessarily absent.

Mr. FRYE (when Mr. HALE's name was called.) My colleague [Mr. HALE] is detained at home.

The VICE-PRESIDENT. Seventy Senators have answered to their names. A quorum of the Senate is present.

NOBODY WANTS THE PHILIPPINES—IT IS MERELY A QUESTION OF GETTING OUT WITH CREDIT.

Mr. NEWLANDS. Mr. President, I am opposed to the proposed amendment admitting Philippine sugar and tobacco free of duty to our markets; not because I wish to protect American cane or beet sugar, but because the proposed subsidy to Philippine products will, in my judgment, bind those islands to us indissolubly and forever. Since Dewey's victory in Manila Harbor the United States and the Philippines have been under the tyranny of an accident. Each country desires to be free from the other. The Filipinos, from the highest to the lowest, from the richest to the poorest, from the most intelligent to the most ignorant, desire independence and aspire to complete national life. The people of the United States desire to be freed from the burden, the perplexity, the responsibility, and the danger which permanent occupation of the Philippines involves.

We realize that there has been no glory in their conquest nor profit in their occupation; that the islands are almost worthless, agriculturally and commercially; that they are out of the line of travel and commerce, and constitute no link in our trade with China and Japan; that, unlike Hawaii, they constitute no part of our defensive line, but, on the contrary, their occupation obtrudes us into all the problems, jealousies, contentions, and possible wars of Asiatic peoples, and will some time involve us in an oriental war, 7,000 miles from our base, more costly than the billion-dollar Boer war was to England.

All illusions have vanished. The prevailing feeling of the American people is regret that we are there and a longing to get out creditably. We have no wish to hold them as a subject dependency or to exploit them. We wish to execute quickly our self-imposed trust, to train them in a common language, in industrial pursuits, and in capacity for self-government, and then to retire. Our only differences arise as to methods of training and time of retirement; but the temporary nature of our occupation and the nature of our trust are evident from the history of congressional action, the declarations of party platforms, and the utterances of party leaders on both sides.

Thus far our policy has been in the main to regard the Philippine government as a separate entity, with its own officials, laws, and revenue system, the only connecting link being the Philippine Commission, which governs the islands under authority given by Congress.

IF THEY ARE EVER TO BE FREE, THE ISLANDS MUST NOT BE MADE ECONOMICALLY DEPENDENT UPON US.

But if we complicate their tariff system with ours and grant the enormous subsidies on sugar and tobacco secured by this amendment, the two countries will be so bound together by these subsidized interests that it will be difficult to separate them. If American interests take control of this subsidized production, they will strongly exercise their influence against legislation tending to their separation, and if the Filipinos become the beneficiaries of these subsidies, they will find that when the separation comes the drop from the subsidized prices in America to the lower level of the world's prices will produce an instant collapse of all their industries. If the Philippines are at some time to be independent and self-supporting, their people must accept the world's prices for their products. It is the height of folly to accustom them to the subsidized prices of this country.

The purpose of permitting the Philippines to import 300,000 tons of sugar annually into the United States without the payment of the duty at present imposed upon foreign importations, and amounting to about $35 per ton, is to enable the Filipino producers to receive in our markets, without the payment of duty, nearly double the price which they can get anywhere else in the world; for the duty on sugar makes the American price of sugar nearly double the world's price.

This legislation means the diversion of nearly $10,000,000 annually from the American Treasury into the pockets of Filipino producers and without lowering the price of sugar a penny to the American consumer. It is claimed that this advantage will stimulate the production of Philippine sugar, and thus promote prosperity there. But to what extent will this help the Filipino people in acquiring a common language, in receiving better industrial training, and in learning the methods of self-government?

DIRECT GRANTS PREFERABLE TO SUBSIDIES.

It would be much better, if we are to make this benefaction, to give it directly to the Filipino government, which can expend it for these worthy purposes, and not to the Filipino planters or, as will ultimately prove to be the case, to the sugar trust itself, which will doubtless obtain a monopoly of the production of sugar there, as it is now acquiring it in Cuba.

If we were to give the Filipino people $10,000,000 annually, let us do it in a way that will absolutely secure the benefit to the masses of the Filipino people, and not to interests that will simply exploit the Filipino people. This will mean honest bookkeeping between the two countries and will be much more praiseworthy than giving $10,000,000 annually to the sugar planters in the Philippines, whether Filipino or American, in the hope that a part of it will filter down to the masses of the people.

Let me call attention here to the fact that direct aid would probably extend only over a few years, while this subsidy of $10,000,000 will last as long as these tariff laws, and in twenty years will mean that $200,000,000 will be diverted from the American Treasury into the pockets of the producers of Filipino sugar, whether those producers be Americans, including the sugar trust, or the Filipino planters themselves.

The training of the Filipino people for self-government means that all the children shall be trained to speak English, as no other common language is possible; that they must be trained in habits of thrift and industry, and taught improved methods of agriculture and of manufacture; and that they must be trained in self-control and the principles of free government. All this can possibly be done in time, with the aid of money. But the Philippines are poor. The total revenue, insular, provincial, and municipal, is not more than $17,000,000 annually—a little more than the amount required for the government of the District of Columbia.

The United States has undertaken the paternal work of training 7,000,000 people in self-control and the principles of self-government. The Filipinos have demonstrated their inability to produce wealth in competition with the rest of the world. Their total exports last year to all countries were only $32,000,000. During the last ten years they have been unable to raise enough rice for home consumption. If we would accomplish our benevolent purpose, they must be helped; but it would be better to help them by direct appropriation, rather than through subsidized industries. The former would be effective and economical; the latter, ineffective and costly.

But, assuming that the $10,000,000 of annual sugar subsidy will go mainly to the Filipino laborers, shall we really do them a service by accustoming them to a price for their sugar which is double what they can get from the rest of the world? Is it just to them to accustom them to the subsidy bottle? Is it just to them to accustom them to prices which it will be impossible for them to realize when independence comes? Will not the ending of the subsidy and the reduction of the favored prices which they have received for their products plunge them into such a condition of suffering and distress as they have never yet realized? Subsidizing production with fictitious prices is one way to stimulate it, but artificial aid can not be suspended without intense suffering.

The right way to help the Filipinos is to train them in self-sustaining methods. The declared purpose of the whole movement in the Philippines is philanthropic. Philanthropy always costs the philanthropist something. But this proposed scheme of philanthropy through subsidized inflation of prices to be obtained in America creates grave danger in the future. If we

are bent upon real philanthropy, we should appropriate the additional amount necessary and let our books show the loss.

SUBSIDY WILL DEFEAT WITHDRAWAL.

But above all things it must be recollected that the surest way of tying the islands to us for all time is to subsidize the industries of those islands.

Build up by subsidy and bounty sugar and tobacco production *in the Philippines*; extend your coast and navigation laws to those islands; give Americans a monopoly of transportation and a monopoly of production of the subsidized products; add to all this the artificial prosperity caused by subsidized prices and you will create factors that will absolutely defeat any future legislation tending to our withdrawal from the Philippines.

By a system of direct aid, instead of subsidized aid, the desired end of ultimate withdrawal with honor would be accomplished, with the maintenance in the Philippines of an absolutely separate autonomy, at a cost which is nothing compared with the sum we shall actually pay if the subsidy system is followed during the next twenty years, and with the infinitely better result that instead of being tangled in tariff and navigation complications impossible to sever without causing untold distress, the islands will be self-sustaining, self-supporting, and self-governing, the only connection of this country being the Philippine Commission, acting as a higher house, and the governor-general as chief executive.

By this means we may establish in twenty years a complete autonomous government in the Philippine Islands—a government uncomplicated with our own, with its own fiscal system, and with all the branches, judicial, legislative, and executive, that are essential in a national life. Then, when the time comes to cut the tie, it will be a safe and easy matter to substitute Filipinos for Americans on the commission and to substitute a Filipino governor-general for the American governor-general; and after neutralizing the islands by international agreement and reserving a naval and coaling station, to permit the Filipinos, trained to hold their own in the struggle without subsidized aid, to take their place as a thoroughly individualized nation among the nations of the world.

THE "OPEN DOOR" IN ASIA.

There is another view to be taken of this Philippine policy, and that is that it violates the spirit of the "open-door" policy in the Orient, insisted upon by Mr. Hay and since asserted by our Government. It is true that that policy was declared by Mr. Hay regarding China, but it applies in its spirit to the entire Orient. Mr. Hay's purpose was to have a clear understanding with Japan and the great European powers that, regardless of all readjustments in their relations to China, the open door and equal trade privileges should be maintained for all nations.

When Japan attacked Russia in Korea and Manchuria her Government took care to assure the civilized world that there was no disposition to violate this policy; that her purpose was to maintain the integrity and the independence of Korea, to protect Manchuria against Russian aggression, and to keep the door open in both countries to the trade of the world without preference to Japan in any form. The relations of Japan to Korea and, in a less degree, to Manchuria resemble somewhat the relations of the United States to the Philippines. In both cases it was declared that the war was not for conquest or for commercial advantage. It is true that the Philippines fell into the possession of the United States by an accident not contemplated when the war with Spain commenced; but it is to be assumed, of course, that the United States, having declared to the world that her position in the Philippines was that merely of discharging a sacred trust to the people of those islands, would not, while contending for the open door in Manchuria and all China, close the door in the Philippines. Under this tariff arrangement it is proposed to give the United States an advantage in trade in the Philippines not enjoyed by other countries; and if we follow this up by giving to American shippers, as is proposed, the monopoly of transportation between the Philippine Islands themselves and between those islands and this country, we will practically close Japan, China, and other countries out of their present trade with the Philippines. Can we afford to take so inconsistent a position? Can we close the Philippines against the trade of sister oriental countries, as well as European countries, while we are clamoring for the open door in China?

THE RIGHT WAY TO HELP THE FILIPINO.

I wish to add one word upon the subject discussed by the Senator from Kansas. As I understand his argument, it is addressed entirely to the consideration of this question as it relates to the interests of the Filipinos themselves. He was contending that it was best to facilitate there the erection of great central factories, which could deal with the question of sugar production in a large way and thus enable the Filipinos to produce a high grade of sugar which would command a better price in the world's markets, instead of the low grade of sugar which they now produce.

I have no doubt that sugar production is one that requires centralized operation. In the first place, you have to deal with a large area of territory. In many cases you have to provide for irrigation, which means large works of a costly character. You have to provide a radial railroad running from the mill to all parts of the large plantation, on which the cane can be transported to the central mill, and you have to provide a central mill in which this cane shall be crushed.

It is of course impossible for an individual producer of sugar, owning a few acres of land and producing only a few tons of sugar, to engage in this system of centralized operation. It is a form of operation that necessarily tends to monopoly, and it should therefore always be a regulated monopoly. My own view has been, with reference to this matter, that it is best in the first place to facilitate the control of very large areas, so that great corporations can undertake the construction of irrigation works, of radial railways, and of central factories; and then, when all that is done, the law itself should provide for a system of gradual decentralization under which these estates shall be divided up and sold in small holdings, within a period sufficient to insure a profit to the promoters of the enterprise and under which the irrigation works, the radial railway, and the central factory should be held as public utilities, under public regulation, for the service of all. That is the only way in which we can develop free and independent citizens in a country that is devoted to sugar culture. Otherwise, you will always have these large plantations and the laborers attached to the soil in a semiservile capacity, without any right in it, and without those rights which are absolutely essential to citizens in a free government.

In pursuance of that humane purpose to which President Taft has devoted a large part of his life with singular disinterestedness, it is suggested that this assistance should take the practical form of direct aid to the Filipino people in the great work of education and industrial development rather than in bounty or subsidy to exploiting interests.

We can take up the great work of the improvement of the methods of agriculture in those islands. Their methods of agriculture are the crudest possible. Organize there your agricultural schools, such as you have in this country. Train the younger generation in improved methods of production, and if you choose then to establish as self-supporting public utilities these radial railways, these irrigation works, these central sugar mills, imposing a charge for the use of the water and for the carrying and the grinding of the cane, you will have a system at a tithe of the cost imposed by this subsidy system that will be of real service to the Filipino people, that will advance them in the acquisition of a common language, that will advance them in industrial training, that will increase their capacity for the production of wealth, and that will enable them to meet competition in the world's markets.

I understand, of course, the answer to all this is that it involves paternalism, and of course we all stand aghast at paternalism in our own country when it involves the protection of the masses. The prevailing form of paternalism which we enjoy in this country is that which consists in giving benefactions and privileges to the great corporations and interests.

But confessedly the whole Filipino programme is an experiment in philanthropy. The whole government there is paternal. We are there discharging a trust. The United States is the self-imposed father of the Filipino people. If then the whole government is paternal, if the whole administration is paternal, why should we not make that paternalism effective, economical, and productive of results?

Mr. President, these are the views which I entertain regarding the Philippine tariff. I am sincerely desirous of aiding President Taft in the work he has undertaken for developing the Philippine Islands. I honor the great courage, energy, enthusiasm, and humanity which he has shown in that great work.

I have been in the Philippine Islands, and so far as the administration of those islands is concerned, within the limited revenue which they enjoy, I have found nothing to criticise. The administration there is a credit to the United States, but the critical time has now come for us to determine what is the best method of developing the Filipino people—one of subsidies to great interests or one of aid directly to the people themselves. And the additional question is involved as to whether we shall pursue a system that will invite hostility in the entire Orient; that will close the Philippine Islands to the trade of China and Japan; that will arouse enmity and jealousy

and suspicion there; that will make every demand that we make for the open door in China absolutely inconsistent with our maintenance of the closed door in the Philippines; and, above all, we have to face the question whether we shall pursue an economic system regarding those islands that will tie them indissolubly to the United States, by the creation of its favored interests there, which we all know have been so powerful in the history of the legislation of this country and which are likely to be as powerful hereafter.

The VICE-PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Kansas.

Mr. BRISTOW. I should like to have a yea-and-nay vote on that.

Mr. CURTIS. I should like to have the amendment stated.

The VICE-PRESIDENT. Is there a second to the demand for the yeas and nays?

Mr. BURKETT. What is the amendment?

The VICE-PRESIDENT. Without objection, the Secretary will again report the first amendment offered by the Senator from Kansas.

The SECRETARY. On page 2 of the printed amendment, line 5, after the word "That," strike out "sugar, refined or unrefined, and," and in line 9, strike out "sugar and."

The VICE-PRESIDENT. The question is on agreeing to the amendment which has just been stated.

Mr. BRISTOW. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BRISTOW. I will say, before a vote is taken on the amendment, that the amendment will remove the requirement in this bill which makes the United States sugar tariff laws a part of the Philippine tariff. If this amendment carries, it will allow the Filipinos to fix the same tariff on their sugar importations as they do on all other importations into the islands, and it will not engraft what, to my mind, is the iniquitous provision of the Dutch standard on the Philippine Islands, by which they would have to import all sugar under the same provision that applies to its coming into the United States; that is, all the refined sugar. The House did not have any such provision in the bill. This provision that I am contending against was incorporated in the bill by the Senate Committee on Finance, and I do not think that it ought to prevail.

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

The VICE-PRESIDENT. The roll call will demonstrate that fact.

Mr. SMOOT. Are we about to vote now on this proposition?

The VICE-PRESIDENT. The yeas and nays have been ordered on the amendment.

Mr. SMOOT. I understand the Senator from Massachusetts [Mr. LODGE] desires to submit some remarks upon it.

The VICE-PRESIDENT. The Senator from Utah suggests the absence of a quorum. The Secretary will call the roll.

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

Bankhead	Daniel	Johnston, Ala.	Rayner
Borah	Davis	Jones	Root
Bradley	Depew	Kean	Scott
Brandegee	Dick	La Follette	Smith, Md.
Bristow	Dillingham	Lodge	Smith, S. C.
Brown	Dixon	McCumber	Smoot
Bulkeley	Elkins	McEnery	Stephenson
Burkett	Fletcher	Martin	Stone
Burnham	Flint	Money	Sutherland
Burrows	Foster	Newlands	Tillman
Burton	Frazier	Oliver	Warner
Clapp	Gallinger	Overman	Warren
Clark, Wyo.	Gore	Page	Wetmore
Clay	Guggenheim	Paynter	
Crane	Hughes	Perkins	
Cummins	Johnson, N. Dak.	Piles	

The VICE-PRESIDENT. Sixty-one Senators have answered to their names. A quorum of the Senate is present.

Mr. LODGE. Mr. President, I do not desire to discuss this amendment generally or the importance of putting in these provisions with respect to the Philippine Islands. The amendment proposed, on which the Senate is about to vote, is the amendment of the Senator from Kansas taking sugar out, so that it may come into the Philippine Islands at a lower rate of duty than that imposed in the United States. Whatever tariff the Philippine Islands impose on their own can only be made subject to the approval of Congress, and whether it is arranged in this amendment, where it ought to be arranged, or whether separately, the Philippine tariff, which will shortly be before us, is not essential.

The point is, in view of the gift we are making to them of exporting free 300,000 tons of sugar and a certain amount of tobacco, whether it should not pay the same rate going into the Philippine Islands as into the United States. In the opinion of the committee, that was not an unreasonable provision. All the revenue from it will go into the Philippine treasury.

Mr. BRISTOW. Mr. President——

Mr. LODGE. I yield.

Mr. BRISTOW. I should like to inquire why that is necessary in regard to sugar and not as to other articles of merchandise?

Mr. LODGE. The reason is a very simple one. Under the law as it now stands everything from the Philippine Islands comes into the United States free except sugar and tobacco, which come in at a reduction of 25 per cent from the Dingley rates. This bill gives to the islands an additional privilege, of exporting to this country 300,000 tons of sugar free of duty and a certain amount of tobacco free of duty.

There is great contention over that concession to the islands. There has been a strong effort made to make all articles free between the United States and the Philippine Islands. This is in the nature of a compromise between the contending interests—those who want to keep it all out and those who wish to have it all free. This is simply an arrangement which was thought fair to all parties, that the tobacco and sugar imported into the Philippine Islands, as they were to have these concessions in our markets, should pay the same rates of duty as they would pay coming into the United States; that it was only justice to the sugar growers and tobacco growers of this country.

Mr. BRISTOW. But the question is, Why should an exception be made in regard to sugar? On other articles of commerce we do not impose the American tariff.

Mr. LODGE. Because there has been an exception about sugar and tobacco from the beginning.

Mr. BRISTOW. Why should there be?

Mr. LODGE. Because sugar and tobacco are the only products in the Philippine Islands that compete with our home production. The other exports do not compete directly with the products of the United States.

Mr. BRISTOW. This relates to refined sugar, which——

Mr. LODGE. I ought to say in addition that since we took possession of the islands and deprived them of the Spanish market we remain their only market, and for that reason the concession has been made.

Mr. BRISTOW. I beg to advise the Senator that he is very much mistaken. The Spanish never did consume Philippine sugar. They got their sugar from Porto Rico and Cuba. The market for Philippine sugar has been the United States and Great Britain very largely, always. It was before we got possession of the islands. We bought more sugar from the Filipinos before than we have ever done since. There is a great market in the United States; and we simply impose upon them the necessity of buying their refined sugar from us instead of from other people, as they have heretofore done, and we do not impose that necessity in regard to any other product that they use.

Mr. LODGE. Except tobacco.

Mr. BRISTOW. Except tobacco.

Mr. NEWLANDS. Mr. President——

The VICE-PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Nevada?

Mr. LODGE. I do.

Mr. NEWLANDS. This arrangement also involves compelling the Filipino people to pay the same price in their markets for refined sugar that the American people pay in theirs. In other words, the price will be very nearly double the world's price for sugar. Will not that be the effect, I ask the Senator from Massachusetts?

Mr. LODGE. I do not know precisely the present duty on sugar. It is lower than ours, I know. I could not tell without looking at their tariff.

Mr. NEWLANDS. Instead of permitting our sugar to go in subject simply to a duty of 25 per cent, I understand you are to impose there a duty equal to the duty imposed in this country, which is upon refined sugar nearly 2 cents a pound, or double the world's price. It seems to me that if you are engaged in an act of philanthropy to the Filipino people it is hardly the proper thing for us to put their consumers of refined sugar under the same burden the American people are under to-day, for under the present system we impose upon the consumers of sugar in this country a burden of $130,000,000 more annually than would be imposed if our present duty did not exist, and we raise the domestic price of sugar to nearly double the world's price. It seems to me we should not force our highly protective system upon the Philippine Islands and compel them to pay for refined sugar double the world's price by imposing this duty.

Mr. LODGE. I have no desire to discuss the sugar schedule. The price of sugar in the United States, with the exception of England, is cheaper than in any other country. I do not care to go into that at all. This is a concession to the Philippine Islands. As chairman of the committee which has had their

affairs in charge for a good many years and having been much interested in them, I should like to give them a great deal more than we have given them; but, speaking as their friend, I believe we are giving them a much better condition than they have had before, and to secure that I for one am ready to make certain concessions and to limit the amount and put an import duty on sugar similar to that which we have here. It will be no unreasonable burden to them. All the money will go into their treasury, and they will have to make it up by other means of revenue in what they import, because it will now go in free of duty.

Mr. ELKINS. Has the Finance Committee followed the House provision in respect to sugar from the Philippine Islands?

Mr. LODGE. In the main. We have modified the House provision somewhat.

Mr. ELKINS. Over what the House allowed?

Mr. LODGE. We reduced the amount on tobacco.

Mr. ELKINS. And on sugar it is the same?

Mr. LODGE. Yes; 300,000 tons.

Mr. ELKINS. That comes in free.

Mr. LODGE. It comes in free.

Mr. ELKINS. What will be the duty above 300,000 tons?

Mr. LODGE. The same duty as on all sugar; the same as before.

Mr. ELKINS. From Cuba they have 200,000 reduction?

Mr. LODGE. There is no reduction on anything above 300,000 pounds.

Mr. ELKINS. I understand that if 300,000 pounds are imported it would have to pay a higher duty than the Cuban sugar.

Mr. LODGE. Yes; higher than they pay now. They come in at the Dingley rate.

Mr. ELKINS. It seems to me this is a discrimination against the Philippines. They belong to the United States as much as the people of Arizona and New Mexico, territorially and otherwise, and we ought not to make any discrimination against them, especially in favor of a foreign country like Cuba. My theory is that the Filipinos are the same as the people of any other Territory, and why this discrimination or distinction is made against them I do not know. I do not know much about the merits of the case. I am glad the committee has agreed to allow them 300,000 tons, but they are citizens of the United States, belonging to the United States, and I do not see why in the world Cuba should get an advantage over the Philippine Islands. I can not understand——

Mr. JOHNSTON of Alabama. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from Alabama?

Mr. LODGE. Let me reply first to the Senator from West Virginia. I am not going to discuss our relations with the Philippine Islands. It is rather too large a topic. The islands are in our possession, and we want to treat them as justly and fairly and generously as we can. We can not legislate on a hypothesis. They are not citizens under the law. They are citizens of the Philippine Islands, made so by statute. It is not a Territory. The islands are simply within the jurisdiction of the United States.

There has been for some years a strong effort in which the then Secretary of War and the present President of the United States has made every possible effort to have absolute free trade between the Philippine Islands and the United States. That has been resisted in regard to sugar and tobacco by the home producers of those two articles, and finally this compromise has been reached that we should let in a certain amount of sugar and a certain amount of tobacco free of duty. The Philippine Islands have never produced anything approaching either amount capable of export.

Mr. BULKELEY. Will the Senator allow me? I understood the Senator to state that a compromise has been reached fixing the limitation. With whom?

Mr. LODGE. Between the people who are interested on one side and the people who are pressing for it on the other.

Mr. BULKELEY. I do not understand that there has been any compromise as far as tobacco is concerned in my State and in other States where they produce leaf tobacco for wrappers. I do not understand that there is any compromise on the part of the sugar manufacturers as to the quantity, except possibly the beet-sugar men.

Mr. LODGE. Then the committee has been greatly misled by the information brought to it.

Mr. BULKELEY. I had the honor myself to appear before the committee in opposition to it.

Mr. LODGE. I am not speaking of the Senator from Connecticut. We have reached no compromise with him.

Mr. BULKELEY. Perhaps you will have to.

Mr. LODGE. We will see that by the vote.

Mr. JOHNSTON of Alabama. I want to ask the Senator from Massachusetts how the Delegates from the Philippine Islands stand on this amendment, because it seems to me we ought not to confer a benefit——

Mr. LODGE. Of course, they want a great deal more.

Mr. JOHNSTON of Alabama. Do they want this?

Mr. LODGE. I understand they will accept this rather than nothing.

Mr. JOHNSTON of Alabama. I am not advised, but it seems to me we ought not to confer benefits which they themselves do not desire.

Mr. BRISTOW. I think the Senator from Massachusetts is entirely in error when he says that the Philippine Islands never produced anything like 300,000 tons of sugar.

Mr. LODGE. For export.

Mr. BRISTOW. They exported in one year 260,000 tons.

Mr. LODGE. That I am aware of. That is the largest I think they ever exported.

Mr. BRISTOW. That is not very far from 300,000 tons.

Mr. LODGE. But as a matter of fact, what they produce now for export is very far below that.

Mr. BRISTOW. But the very purpose of this legislation is to encourage the production of sugar there.

Mr. LODGE. It is.

Mr. BRISTOW. It is not fair to presume that they never will produce 300,000 tons when they have produced so nearly that amount.

Mr. BURKETT. Already sugar from Hawaii and Porto Rico is free. Suppose we admit 200,000 tons from the Philippines. What is the rate now on sugar imported into Porto Rico and into Hawaii? How much do they get on sugar?

Mr. LODGE. The Dingley rate; the same as our own.

Mr. BURKETT. Then, I understand, by striking out this provision, it would put the Philippines at an advantage over Porto Rico and Hawaii.

Mr. LODGE. It would.

Mr. BURKETT. With reference to buying sugar.

Mr. BRISTOW. It would put them in exactly the same position as to sugar that they have as to every other article of commerce except tobacco. The Philippine Islands and Hawaii have the same provision as to sugar that they have as to every other article of commerce.

Mr. LODGE. Mr. President, I have nothing further to say. I do not care to go into the discussion of the Philippine Islands at this time.

Mr. MONEY. I should like to ask the Senator from Massachusetts a question for information.

Mr. LODGE. Certainly.

Mr. MONEY. I am asking for information. I should like to ask the Senator from Massachusetts how it is practical to apply the remission of duty on 300,000 tons of sugar. You have a class of factories that produces less than 500 tons, and the next class produces over that amount. Suppose that the class first named produces the first half of the 300,000 tons or 200,000 tons as a supposition. Then how are you going to divide among the producers of the next class the remission of this duty? I have asked for information, because I do not understand how it is to be done. I suppose probably it has been thought out by somebody.

Mr. LODGE. It is provided in the bill that it shall go first to the producers of less than 500 gross tons in any fiscal year. That is easily understood.

Mr. MONEY. I dispose of that, but——

Mr. LODGE. Then to the producers of the lowest output in excess of 500 tons in any fiscal year.

Mr. MONEY. Then the result would be that after you get over 500 tons production there would be a discrimination in favor of somebody, and a discrimination against somebody to the amount of $1.68 per hundred pounds of sugar. That seems to me to be an inequality of favor or benefit which would be most inequitable.

Mr. LODGE. After the lowest producers are exhausted then comes the next lower output until the 300,000 tons are made up. The purpose of the clause, as I understand it, is to prevent the establishment of one great concern there which would absorb the whole 300,000 tons and send it all to the United States and prevent the small growers from getting any advantage from this reduction.

Mr. MONEY. I know that is the purpose, and it is a very wise and benevolent purpose to prevent that monopoly, but still the difficulty is not solved. There is still a discrimination left. There is very little difference in the merit of the man who can produce 500 tons and the man who can produce 501 tons.

Mr. LODGE. Very little.

Mr. MONEY. We can go on in that way to the highest production. But there must be somewhere, according to the bill, a discrimination in favor of somebody. I will take two plants adjoining. They make five and six hundred tons. One gets sugar admitted free of all duty. The other has a tax of $1.68 per hundred pounds.

Mr. LODGE. That is, if they go over the 300,000 tons.

Mr. MONEY. Then they are on the wrong side of the breastworks, and there is a discrimination against one planter who may have swords crossed against him in the matter of labor and his hands taken away. There are a thousand things in the competition of business which may interfere. I want some enlightenment on the point. I am not trying to ask a hard question, but I really would like to know if the Senator has in view any way by which the benefit can be so equalized that there will not be a discrimination?

Mr. LODGE. If we wish to confine it to small producers, I do not think it is practical to confine it in any other way than that suggested in the bill. It seems to me that there is no other way practical.

Mr. MONEY. I know the purpose of it.

Mr. LODGE. We start out to discriminate in favor of the small producers, and we discriminate as they rise in proportion.

Mr. SMOOT. Mr. President——

Mr. MONEY. If the Senator will excuse me, the fact that classes are named shows that the committee does not believe that the whole 300,000 tons will be covered by the first class. Then the next class is being considered, and it can not take all the sugar manufactured or produced by that class. Therefore the discrimination must be applied in some way that I do not yet understand, and I would be very glad if I could understand it.

Mr. LODGE. I suppose that all substantially with the same gross output would be taken and the residue would be divided between them. There has to be a certain discretion in the administration of such a law.

Mr. MONEY. I know how it can easily happen, as it happens in the market every day, when a producer gets his crop to market. He says, "I am within the provision of this bounty," and it is extended to him. The other man is a little slower; he is on the wrong side of the mountain, for instance, 2,000 feet higher up the mountain; his crop matures more slowly, and it does not get into market in time; and when he gets there the 300,000 tons have been supplied and the remission has been issued, and he must pay the tax.

Another thing, in a tropical country you do not count the seasons as here; you can not have a man importing and making sugar, as in Louisiana. I have seen crops made in the Hawaiian Islands from cane 23 months old. You would see cane made in one part of an island, and six or eight months or a year afterwards the same thing would be going on somewhere else. I presume the same condition holds in the Philippines, which I have never visited. So it seems to me as this remission of duty on 300,000 tons can only happen in the fiscal year, there is going to be an inequality in some way. I have not yet solved it in my own mind, and I would be glad to know if anybody has.

That is the only question I desire to ask. I desire to relieve the bill from any inequality if it becomes a law.

Mr. LODGE. I think that is a matter which it is impossible to provide for absolutely in a statute. We can only indicate in a statute the preference to be given and then leave it to administrative officers to grant that discrimination in accord with the statute as fairly as they can. It is intended as a discrimination, of course.

Mr. JONES. Mr. President——

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

Mr. LODGE. Certainly.

Mr. JONES. The Senator may have answered the proposition, but if he did I did not hear it. I assume that this provision is framed for the benefit of the Filipinos primarily. What special benefit will it be to them to place this tariff on the refined and unrefined sugar imported into the Philippines?

Mr. LODGE. To relieve them of all their tariff duties. Of course the Senator understands they have got to have money from tariff duties of their own. The only question is how much.

Mr. President, when I said a few moments ago that this provision, as it passed the House and has been reported by the Finance Committee, was a compromise, I meant that the Finance Committee and the Committee on Ways and Means, in order to get legislation which they thought desirable, had to compromise with contending interests.

Mr. CLAY. Mr. President——

Mr. LODGE. Let me finish answering the Senator from Washington.

Mr. CLAY. Certainly.

Mr. LODGE. I do not myself think they will be affected at all, but those people who thought they would be affected by the introduction of 300,000 tons of free sugar from the Philippines, or a certain amount of tobacco into this country, felt that it was only just to them that the Filipinos should pay the same rate of duty that they were obliged to pay when they imported sugar or tobacco.

Mr. JONES. That special feature of this amendment is not specially, then, for the benefit of the Filipinos?

Mr. LODGE. No; it is done for the protection of our own people, and to put money in their treasury, of course.

Mr. JONES. The tax raised by it goes into their treasury?

Mr. LODGE. It goes into their treasury; every cent of it.

Mr. CLAY. The Senator from Massachusetts is fully aware of the fact that at this time we import into the country a little over 300,000 tons of raw sugar paying the full duty of $1.68½ per hundred. If we let into this country 300,000 tons of raw sugar free hereafter, there will be practically no sugar coming into this country paying $1.68½ per hundred. Three hundred thousand tons of raw sugar pay into the Treasury of the United States about $10,000,000 revenue. If we let the people of the Philippine Islands bring into this country 300,000 tons of raw sugar, we take out of the Treasury of the United States $10,000,000. Does the Senator claim that any real, substantial benefit will accrue to the American consumer by reason of this fact, or does the Senator believe that the people of the Philippines will get a benefit of $10,000,000 equal to the $10,000,000 revenue which we lose in this country?

Mr. LODGE. Of course we shall lose the revenue if that amount of sugar is sent in. There is no question about that. That is the precise concession we make to the Philippine people. We give them our market to that amount, just as many years ago, before Hawaii was any part of this country, under a special treaty we admitted all Hawaiian sugars free of duty, which amounted to many, many millions. We gave it because we thought it was the interest of the United States to encourage and build up those islands, and the belief is that it is for the interests of the United States, and it is a matter of justice and fairness that we should give the Filipinos the opportunity to develop their industry and have access to our markets to that amount since they are in our possession; and in return, of course, everything that is the product of the United States goes in there free of duty.

Mr. ELKINS. I should like to ask the Senator a question. I will ask the Senator from Massachusetts what the annual production of sugar is in the Philippine Islands now?

Mr. LODGE. It was about 143,000 tons last year.

Mr. ELKINS. How much of that is home consumption?

Mr. LODGE. It is all consumed in the islands or sold in China and Japan.

Mr. ELKINS. None comes to the United States?

Mr. LODGE. Very little.

Mr. ELKINS. How long will it be before they can export the 300,000 tons contemplated in the bill?

Mr. LODGE. I am sorry to say I think it will take them a very long time to approach it.

Mr. ELKINS. With the ultimate demand, the Senator means, of Japan and China and their own home consumption.

Mr. LODGE. Yes; I think it will be a long time before they send any considerable amount of sugar here.

Mr. ELKINS. It would not be a substantial injustice to them to deny it?

Mr. LODGE. If I take an interest in them and wish to see them prosper, I am afraid we shall lose very little revenue by the importation of 300,000 tons, and they will send very little sugar to this country.

Mr. ELKINS. I am not concerned about the loss of revenue. I think it is a discrimination. I think they ought to belong to the United States, and I think they do, not only under the treaty, but by the purchase of the territory for $20,000,000; and we ought to make no discrimination against them whatever. That is my judgment. I regret to see any legislation in that direction.

Mr. LODGE. I am not disposed to dispute the justice of the Senator's position in that respect. I am representing here simply the committee, and this is in substance the provision of the House and the decision of the two committees as to what was best to be done under these circumstances.

Mr. ELKINS. One more question. How does the amendment of the Senator from Kansas affect the Senate committee amendment?

Mr. LODGE. It would not have any practical effect whatever, because when we pass the Philippine tariff act, which we must pass as soon as this bill is out of the way, in order to make it conform to ours, you may be very sure that the same rate of duty will be placed on sugar.

Mr. BRISTOW. Mr. President——

The VICE-PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Kansas?

Mr. LODGE. Certainly.

Mr. BRISTOW. I understood the Senator from Massachusetts to say that the provision covered by the amendment now pending was incorporated in the House provision of the bill. Did I understand the Senator correctly?

Mr. LODGE. No; I did not say that. I said the amendment in substance is in both the House bill and the Senate committee's bill.

Mr. BRISTOW. But the proposition to extend the tariff law on sugar to the Philippines was not in the House provision.

Mr. LODGE. No; I am aware of that.

Mr. BRISTOW. I understood the Senator to say that the Philippines would get the duty collected. Is it not a matter of fact that there would not be any duty collected, because the tariff on refined sugar is prohibitive, so that it would all be shipped from the United States to the Philippines and not be imported from any country that would pay a duty?

Mr. LODGE. There is the provision as to refined sugar in the United States which is wholly the production of the United States.

Mr. BRISTOW. The production of beet sugar is 225,000 tons.

Mr. LODGE. We do not produce in Hawaii, Porto Rico, Louisiana, and the beet factories, I think, altogether over 1,200,000 tons. I can be corrected if I am wrong.

Mr. BRISTOW. Yes; about that quantity.

Mr. LODGE. We buy a thousand tons from Cuba.

Mr. BRISTOW. More than that.

Mr. LODGE. None of Cuba's could go into the Philippines except on the payment of duty, because it is not the growth and product of the United States.

Mr. BRISTOW. Let me inquire, then, how can we tell whether the American refiners ship to the Philippines Cuban sugar?

Mr. LODGE. I think that could be detected. I think it would be detected by the officials of the customs in the Philippines and here.

Mr. BRISTOW. Would it be any easier to detect fraud in importing it into the United States and refining it and sending it to the Philippines than in detecting fraud in importing it into the Philippines and then sending it to the United States?

Mr. LODGE. No; I do not think it would.

Mr. BRISTOW. I think that answers fully the objection the Senator offered to my amendment.

Mr. LODGE. I do not think it does. That this country will export refined sugars to the Philippines it seems to me out of the question. Why should they send sugar all that distance when they have not enough to supply the home demand?

Mr. BRISTOW. They do it. Why do they do it?

Mr. LODGE. They do do it—when they send 8,000 pounds, four tons?

Mr. BRISTOW. They get refined sugar from other countries. They consume about 3,000,000 pounds a year of refined sugar. They have been importing it from other countries. Now, you will compel them, if they still import that, to pay a much higher tax than they now pay, and then you will prevent them from getting the Java sugars or the German dark-colored sugars because you incorporate in this amendment the Dutch standard provision which is in the American law. So that you put a restriction upon the Philippine Islands consumption of refined sugar that was never before imposed, which was not in contemplation by the House provision, and which would be very much to the detriment of the Filipinos. Then it would not pay the duty, because it would go from the United States and be purchased much cheaper.

Mr. BURKETT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Nebraska?

Mr. LODGE. I do.

Mr. BURKETT. Mr. President, I would like to ask the Senator from Massachusetts a question. Perhaps I had better repeat what he said, for fear I misunderstood it. Permit me to say, first, that after listening to this discussion I had about come to believe that perhaps we ought to put the regular American rate on sugar going into the Philippines from the outside world, because we are throwing open our market, the greatest market in the world, to Philippine sugar. But about the time I got my mind made up along that line the Senator from Massachusetts stated, as I understood him, that we are not going to admit any sugar anyway from the Philippines; that they are not going to send any over here, and therefore if that is not true——

Mr. LODGE. I did not quite say that.

Mr. BURKETT. The Philippines are getting practically nothing, and we are putting on to them our tariff rates.

Mr. LODGE. I did not say that we are not going to admit their sugar, because we are going to admit it free up to 300,000 tons. What I said was that, in my belief, it will take them a long time to reach that limit of 300,000 tons. I think it will take them a very long time, and a still longer time to reach the limit in the tobacco concession, but that it will encourage them and help them to have the market open to that extent on those two products I think is undoubted.

Mr. BURKETT. Mr. President, I have gathered from what I have listened to here that this provision with reference to the Philippines is the result of what we know has been the effort of a great many years on the part of then Secretary and now President Taft to encourage the industries of the Philippine Islands. I want to say that since I have been a Member of Congress, about ten years, I have seen one thing after another, with almost the regularity of the assembling of Congresses, rise up, as it seemed to me, to interfere with the beet-sugar industry of this country. I have never failed to observe what seemed to be a genuine friendliness on the part of the Congress for the beet-sugar industry of this country. Congress has always sought to encourage the production of beet sugar. Away back in the sixties beet-sugar machinery was admitted free of duty; again, in the McKinley law in 1890, the tariff was taken off of machinery that comes in to make beet sugar. In that law Congress also gave a bounty on American-produced sugar. In addition to this Congress gave a drawback on the taxes of sugar exported. We have done all manner of things to help the beet-sugar industry of this country; yet in some way or other, through the happening of events which we could not control, there has been one thing after another during these last ten years which has been batting away and bumping away continuously at the beet-sugar industry.

But I want to say that notwithstanding that fact, notwithstanding the assaults upon it, I have seen the beet-sugar industry grow in those ten years and multiply its factories by five and increase in output from 40,000 tons of production to over 400,000 tons of production of beet sugar in this country. Yet, as I say, all the way along there has been one thing after another that has happened to raise up new and unexpected competition for the beet-sugar producer in this country. I have almost despaired at times. But I have been relieved and cheered to see the industry multiply ten times in ten years in spite of all the adverse circumstances that have surrounded it. And, Mr. President, do you know that that one thing has made me more sanguine of the future of the beet-sugar industry in this country than I might otherwise have been? We have changed our laws; we have admitted sugars from different countries at different rates from one year to another. We have not had any fixed laws for any great length of time, but in spite of all that. the beet-sugar industry has developed and multiplied, as I say, in production ten times.

I remember that among the first things that happened with reference to the beet-sugar industry during the ten years I have mentioned, and these last ten years mark the period of real development and progress in the production of beet sugar, was the admission free of duty of the Porto Rican sugar by the act of April 12, 1900, as a competitor of our beet sugar in this country. Then we admitted the Philippine sugar at 75 per cent of the Dingley law by the act of March 8, 1902. Then, by the act of December 17, 1903, we admitted Cuba's enormous production at 80 per cent of the Dingley rates. We have admitted the Hawaiian sugar free of duty for a number of years, and now in this bill we propose to admit 600,000,000 pounds of Philippine sugar free. I submit, Mr. President, that that recital of our doings shows more liberality to sugar producers outside of the United States than it shows protection to our own producers here in Nebraska and Colorado and Louisiana.

As a friend of the beet-sugar industry, if it were not for the peculiar circumstances that surround us here, as it seems to me, toward those islands, over which we are exercising control, I would be rather inclined to object to this last assault. I know how concerned the people are in the beet-growing sections of our country. I have met with the men who are raising the beets that produce beet sugar in my own State. I have talked with them face to face. A year ago I went into the North Platte Valley in Nebraska, and those people rose almost in arms to

meet me and to protest against such an arrangement as this bill contemplates. They complained of what Congress had done and implored me not to permit the gates to be further opened for sugar importation. It seemed to me then that the beet-sugar producers never would consent to the admission of Philippine sugar free; but it appears that our great President, using his good offices and his mild manner of persuasion, has finally obtained the consent, as I understand, of the beet-sugar producers in this country to admit, in addition to the Porto Rican sugar, in addition to the Hawaiian sugar, in addition to the Cuban sugar, in addition to the Philippine sugar that we have already admitted at 75 per cent, to admit practically all they produce absolutely free; and I am willing to go along on that line, believing, as I do, that we are performing a duty imposed upon us by the responsibilities we have assumed in those islands.

But in doing it, Mr. President, I want to preserve all the proper safeguards that we can. As the Senator from Kansas [Mr. BRISTOW] was speaking I sat here figuring, and I doubt if all the people of this country, or if all the Senators, realize just how small a percentage of the sugar we use pays the rates of the Dingley tariff law now, and how little will be fully amenable to the rates of this bill hereafter. We produced in this country last year of cane sugar 777,280,000 pounds. We produced of beet sugar 851,768,000 pounds. To that I have added the amounts of Philippine sugar that came in last year at 75 per cent of the Dingley rates, the amount that came in from Cuba at 80 per cent of the Dingley rates, the amount that came in from Hawaii free, and the amount that came in free from Porto Rico and from all other countries, and I found that what we produced, together with what we imported, was 6,715,909,620 pounds. I want to call attention to what a small per cent paid the Dingley law rates. Of course what we produced paid nothing. The total amount of our imports last year was 5,186,861,620 pounds, and of that there were only 1,048,559,200 pounds which paid the Dingley rates. The rest all came in free or at reduced rates. In short, of all the sugar which we imported into this country last year, just 22 per cent of it paid the Dingley rates.

Of all the sugar that we used, including what we produced and what we imported, only 15½ per cent of our sugar last year paid the Dingley rates; and if this bill goes into effect and becomes operative, and we shall import sugar from the Philippines, as it contemplates—and I will say that I do not share the ideas of the Senator from Massachusetts, as I shall show in a moment—when this bill becomes operative, taking the figures of imports as they were last year, there will be just 9.2 per cent of the sugar which we will consume in the United States that will pay the rates under this new tariff bill, and 90.8 per cent will be free sugar or at reduced rates.

I submit that when you look at this thing squarely we have not been overly generous, to say the least, with our own sugar producers here at home. When I contemplate the progress that the beet-sugar industry has made in this country, in the face of these facts and in spite of the terrible competition during these ten years while we have been admitting one competitor after another, I have grown to have a great deal more faith in the future of the beet-sugar industry than I had before. I believe if the beet-sugar industry can multiply ten times in ten years under such conditions that there is hope for it even beyond what its strongest defenders have anticipated. If that be true, Mr. President, we shall yet produce our own sugar in this country.

Mr. President, the Senator from Massachusetts seems to have no fear that we shall receive much sugar from the Philippines. It seems to me that that is only a song to lure us to sleep. You can not make me believe, with the climate, with the conditions, with the cheap labor, and all that prevails in the Philippine Islands, that when you throw open to them absolutely free this the greatest sugar market on the face of the earth that there is not going to be somebody over there who is going to grasp the situation and take advantage of it. In a comparatively short time they will fill up the 600,000,000 pounds of sugar that we permit them to bring in free.

Heretofore they have had to fight for a market in a cold world overstocked with sugar, but hereafter by the terms of this bill they are provided and guaranteed a market for their product in this the best sugar market in the world. They will not be slow to grasp the opportunity and to take advantage of it.

Now, I want to get to the amendment of the Senator from Kansas. If I thought we were giving the Filipinos nothing by this bill, I certainly should not want in this bill in which we gave them nothing to place any burden on them. Of course, the Senator from Massachusetts suggests if we do not do it in this bill that in the general Philippine tariff bill, which is coming along, it will be done. I stated that I would rather leave it until that bill comes before us, if I did not think that we were giving the Filipinos something in this bill.

I submit to the Senator from Kansas, however, that the Filipinos believe it will help them. They have petitioned us for it, and we know that the burden of their song and of their petition has been all these years that we shall freely open our market place to receive their products. I submit to the Senator from Kansas if, after we have thrown down the bars; if, after we have opened the gates of our tariff laws and permitted all the sugar production of those islands to come into America and enjoy the best sugar market on the face of the earth without the payment of a single cent of tariff, is it just to our own people in Porto Rico, in Louisiana, in Nebraska, and in all the other States of the Union that produce sugar to give those Filipinos advantages that we withhold from our own people? Is it fair to permit them to come into our market and sell their sugar here on the same terms with our people, and then let them go to Germany and to all the world and buy bounty-produced sugar at less, perhaps, than it costs us to produce it here in America? I am willing to help the Filipino, but I do not want to be better to him than we are to our own people right here at home.

In my opinion, Mr. President, it is going a little too far to pledge ourselves to buy all his product and then put him on a basis to buy on better terms than we can and to buy of other countries than where he sells. I asked the Senator from Massachusetts this question: What sort of terms do we accord to Porto Rico? Porto Rico is our own child; she lies near unto our gates; she belongs to us; and the Senator from Massachusetts replied that when she goes to Germany to buy sugar or to any other country in the world she must pay on that sugar that comes in the Dingley tariff rate; and yet to the Philippine Islands, when we are admitting her product and giving her the enjoyment of our market place absolutely free, we say, in turn, "You shall have a better opportunity than Porto Rico has got; we are going to give you better terms than we have given Cuba; we are going to give you better conditions than Hawaii has got"—and we have had that island a long time—ah, more, Mr. President, if we adopt the amendment of the Senator from Kansas, "we are going to give you better terms than the sugar planters of Louisiana have, better than all the beet-sugar producers of Nebraska and Colorado and California have; we are going to let you go to Germany, where they pay the people for raising sugar, to buy your sugar as cheap as you can."

Mr. President, if Germany should put up her bounty as liberally as she did along in the latter part of the eighties or the early nineties, I can imagine the time when the Philippine Islands will be buying bounty-paid refined sugar of Germany at a less rate than that at which she will sell her raw sugar in the United States. I submit to the Senator from Kansas, with all deference to his good judgment and his study of the question, that it is going a little too far when we say to those people that we will give them better terms than we give to Porto Rico, to Cuba, to Hawaii, to Louisiana, and even to Nebraska. Our sugar laws may be all wrong, but certainly it would not make them right or just to make such a discrimination as his amendment contemplates.

Mr. President, with reference to the second amendment, I am not going to say very much now; but it seems to me that that is an amendment against the interest of the small sugar planter. Further than that I do not care to speak; but I do want to call the attention of the Senator from Kansas to these advantages I have outlined, and in addition to that I ask him to consider also another proposition that has been a troublesome one, and that is the one of protecting our market against the sugar of the world, that would have beat down our producer, and at the same time guarding the interests of our consumer against extortionate prices. I have never heard much complaint about the price of sugar. While everything else has been going up during the last few years, sugar is the one article of consumption, and almost the only one, that has not gone up in price. Of course I would have been glad if it might have gone down.

I do not know whether or not we have handled our sugar business as well as we might have done in this country. There are a great many people who criticise Congress for the way it has managed the sugar question; but I want to say, without fear of contradiction, that there is not any nation on earth that has handled its sugar question as well as has the United States. Germany, Austria, and all the European countries have tried one thing after another in order to protect their consumers of sugar against high-priced sugar, on the one hand, and for building up their sugar production, on the other hand. They have gone even to the extreme of paying a bounty equal almost if not quite to the cost of producing sugar; and notwithstand-

ing this the people of the United States are buying sugar to-day cheaper than any other people on the face of the earth except the people of England.

And at what a price has England bought her cheap sugar. If we go back into history, we will find a time not a great many years ago when England had the sugar factories of the world. She made her sugar and sent it around the globe; but she began to do one thing and then another, to admit sugar here and to admit sugar there, until finally she cut off her tariff, and to-day she is without her great sugar industry that was once her glory. She is buying sugar cheaper because temporarily—and I am certain it can not be more than temporarily—there are other nations willing to go into their public treasury, take their people's money, and pay for the raising of sugar through a bounty system, so that those people can sell it to England for less than it costs them to produce it, because she admits it free of duty.

So that while our sugar legislation may be subject to criticism—and I dare say there is not any legislation but what is subject to criticism—and while there will always be those who can criticise sugar legislation, I submit that in the face of the history of the sugar production of the world there is no other nation on earth that has managed its sugar legislation as successfully for its people, both producers and consumers, in the long run as has the United States. There are certain wrongs perpetrated under it perhaps, but, Mr. President, there are always wrongs to correct under every legislation.

Now, Mr. President, as I have said, I am willing that Philippine sugar shall come in, because I understand the deep interest and the endeavors of President Taft in that direction. I know full well, and other Senators who have been here for ten years know, how long, how earnestly, and how persistently Mr. Taft, as Secretary and as President, has been laboring to get for the Philippine people legislation whereby they could enjoy our market for their sugar and their tobacco; and, after he has finally harmonized all differences and compromised upon this bill, I for one am willing to stand by President Taft in this matter.

The Senator from Kansas asked a pertinent question when he asked "Why should we make a difference between tobacco and sugar and the other products of the Philippine Islands?" It is very easy to answer, however, by saying it is because there are no other products of any great consequence in the Philippines. There is not anything over there that they want to send here to us except tobacco and sugar. They do not care anything about what rates we place on anything else that they produce except their sugar and tobacco and perhaps their hemp. Why? Because about all the things that are brought over to this country are carried back by American citizens as presents or souvenirs of the trip and they pay the tariff.

Mr. LODGE. Mr. President, if the Senator will allow me to interrupt his question, I will say that on the matter of hemp the Filipinos produce the best hemp in the world, and it is much more profitable to us to have their hemp. They can sell that hemp to anyone.

Mr. BURKETT. I will simply say that while I was speaking a Senator to my left called my attention to hemp, and I simply included that as another Philippine product.

Mr. LODGE. It is not of special benefit to them to have it admitted free here, but it is a benefit to us.

Mr. BURKETT. The only point I was seeking to make was—we admit the hemp, of course, for our own benefit, as the Senator said, as much as for the benefit of the Philippines—that the thing they have been contending for all these years is to get their tobacco and their sugar into our market; and it seems to me that when we are throwing this market—the greatest and the best sugar market in the world—open to the sugar production of the Philippine Islands, we ought to be protected by a law that would prevent them from bringing in the world's sugar at their back door and dumping it onto America through the front door. We ought to see to that. We ought to say to them, "If we let you sell in our market, you ought to be willing to buy in the same markets and on the same terms as the men who produce sugar in America, with whom we are admitting you here to compete, have to buy their sugar."

Mr. BULKELEY. I should like to ask the Senator from Nebraska if he does not think that the advantage of giving the Filipinos a market for more than half of their production of hemp is an advantage to them in maintaining a better price for that article, as well as a benefit to the American manufacturer?

Mr. BURKETT. Undoubtedly the American market is a privilege to any people or any nation on earth. The best evidence of that is that there are tramping these corridors every day the representatives of the men who produce things in foreign countries and who desire to get them into the American market. There is no country where hemp or anything else can command the price and can secure as steady and desirable a market as in America.

Mr. BULKELEY. I understood the Senator to say that the advantage in the admission of hemp was entirely to the American people, and that there was no advantage to the Filipinos. My claim is that opening this market for the producers of hemp in the Philippine Islands, as we have for a long period of years—in fact, before they came into our possession—has been of great advantage in maintaining the price and raising the price of hemp in the markets of the world, as it has been an advantage to the American users.

Mr. LODGE. Mr. President, manila hemp is the best hemp grown. Formerly all manila hemp went to London, and reached us by way of London, but the Filipinos collected an export duty on it. We took off the export duty, and the result is that the entire manila-hemp trade has been turned to the United States. The export duty which they formerly collected, and which went into their treasury, was taken from them. The transfer of the manila-hemp trade to the United States has been a great advantage to us. They have no difficulty about selling their hemp. It is of such quality that the entire market of the world is open to them, and they can always get a good price for it.

Mr. RAYNER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Maryland?

Mr. LODGE. Certainly.

Mr. RAYNER. Mr. President, I merely rise for information. I should like the Senator to state whether or not, in his judgment, the importation of raw sugar from the Philippines does not work in the interest of the American Sugar Refining Company? I am unwilling—I am going to be very frank about it—to vote for any measure at all that works for the advantage and benefit of that company. I should like the Senator from Massachusetts to explain whether, in his judgment, it is not a great advantage to the American Sugar Refining Company to obtain free raw sugar from the Philippines.

Mr. LODGE. They are not the only buyers. I suppose they would buy some of this sugar if it came over, as they buy some of the Porto Rican sugar and as they buy the Cuban sugar; but it would be open to all the buyers of the country, to the independent refiners, as well as to the American Sugar Refining Company. I do not suppose we could help their buying part of the Philippine sugar; but it certainly will be of no especial benefit to them, so far as I can judge.

Mr. ALDRICH. Mr. President, this proposition is practically to pay the sugar producers of the Philippine Islands a bounty of about one and sixty-eight one-hundredths cents per pound. I think there is no one who is at all familiar with sugar growing in any part of the world that does not know that the process will be immediately changed in the Philippine Islands for the production of sugar. They will no longer make sugar under the old open-kettle process; they will have modern machinery; they will make the best class of centrifugals; and there will undoubtedly be established in the Philippine Islands refineries for their own sugar. I venture the prediction that the sugar will come to the United States in a refined condition. That is inevitable. It has been the history of all sugar-producing countries in the world.

It is not very many years ago that Java, for instance, was making sugar by the old-fashioned process. They now make it entirely by the new process. It is not a long time since sugar was made in Cuba by the open-kettle process, but now nobody would think of making sugar by any except the modern method. That will undoubtedly be true in the Philippine Islands, and of course the sugar producers of the United States will have that question to face. The Philippine sugar producers will necessarily adopt modern methods, because they can not compete in the sugar markets of the world, even with this bounty, unless they do adopt modern methods.

Mr. CLAPP. Mr. President, while the question of the Senator from Maryland [Mr. RAYNER] is not, perhaps, particularly germane to the amendment of the Senator from Kansas [Mr. BRISTOW], still I want to call the attention of the Senator from Maryland to the fact that the Senator from Massachusetts [Mr. LODGE] did not answer the question. The broad fact remains that to-day, no matter what they may do when they get to refining sugar in the Philippines, the sugar that would come from there under this amendment would be what is known as "raw sugar." Neither the Senator from Maryland nor anyone else in this country to any extent whatever would use that kind of sugar. That sugar has to be refined before it is used by the American consumer; and if the American sugar refining trust is not the beneficiary of the reduction of the duty upon the raw material, I should like to know

whether, when the Senator from Massachusetts comes to plead for free raw hides, he will make that plea in behalf of the cattle raiser of the Argentine, Brazil, and the Venezuelan Republic? The theory upon which the duty is taken from a raw material is not that it benefits the country where the raw material is produced, but that it benefits in some way the country which permits that raw material to enter with the duty taken off. That was our experience in the case of Cuban reciprocity, and it will be our experience in the case of the Philippine Islands.

Mr. RAYNER. Mr. President, I should like to ask the Senator just one question.

Mr. CLAPP. I yield to the Senator.

Mr. RAYNER. What benefit and advantage—for that is the point that I am after—will the American Sugar Refining Company receive from these importations from a pecuniary point of view?

Mr. CLAPP. Simply this benefit: If Congress acts wisely in placing the final duty on refined sugar, it will place that duty at a point where it will prevent, to a reasonable extent, the coming in over that tariff wall of refined sugar. That is elemental. If we have fixed that at the right point precisely—I do not believe we have—but if we have, that is then the protection to the refiner, and refined sugar can not come in here unless the conditions will warrant the payment of that duty on refined sugar. Then, if there is no purchaser in the United States for raw sugar except the refiner, the cheaper that raw sugar can be brought here, the more benefit it becomes to the refiner. If it is a fact that the bringing in of raw sugar from the Philippine Islands free of duty will beat down the price, if they can bring it over cheaper than the cane grower of the South can raise his raw sugar, then it is to the benefit of the refiner. In the last analysis, it would be to the benefit of the American people were it not for the tariff wall, over which no considerable quantity of refined sugar can come.

I think, Mr. President, that that fact ought to be emphasized in the Senate, so that there may be no mistake throughout the country that when we insist that the refiners shall buy in competition with the American producers of raw sugar, we are not adding to the cost of refined sugar to the American consumer.

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Minnesota yield to the Senator from Rhode Island?

Mr. CLAPP. With pleasure.

Mr. ALDRICH. I suppose it must be conceded on all sides that the importation of 300,000 tons of sugar will not affect the price.

Mr. CLAPP. Of what?

Mr. ALDRICH. Of sugar.

Mr. CLAPP. What kind of sugar?

Mr. ALDRICH. Any kind of sugar.

Mr. CLAPP. I can not concede it. It will not affect the price of refined sugar.

Mr. ALDRICH. But the price of sugar is fixed in the markets of the world, both as to raw and refined; and it is impossible to suppose that the sugar producers in the Philippine Islands will sell their sugar in the American markets at a lower price than the people who produce sugar in the Hawaiian Islands or in Louisiana or in Cuba or anywhere else sell their sugar. The price of raw sugar, for instance, of 96 centrifugal, is fixed by the law of supply and demand; and the fact that the producers of the Philippine Islands get the advantage of the bounty will not affect the price at which they will sell their sugar in the markets of the United States.

Mr. RAYNER. I should like to ask the Senator what the duty now is?

Mr. ALDRICH. The duty varies. On 96 test sugar it is 1.685 cents per pound.

Mr. RAYNER. Will not the American Sugar Refining Company get the benefit of that if it gets free raw sugar from the Philippines?

Mr. ALDRICH. But the American Sugar Refining Company does not get the benefit.

Mr. RAYNER. One Senator says "no," and another Senator says "yes." Which is right?

Mr. ALDRICH. If we stop to consider for a moment, it will be apparent that the man who brings his sugar over from the Philippine Islands sells in competition with the man who brings sugar over from the Hawaiian Islands and Porto Rico. It is sold in the New York market at the market price there, and he gets no benefit or gets no loss. He stands in the same position as everybody else; and the American refiner buys that sugar, as he buys the sugar of everybody else, at the market price.

There is no benefit to any refiner because the sugar is brought here—300,000 tons of it—without duties being paid. The benefit goes to the Philippine producer of sugar or to some middleman who may buy it perhaps. But when it is sold here it is sold at the market price, and that market price is the market price which is fixed primarily by the Hamburg market or the markets of the world, and, secondarily, by the law of supply and demand.

Mr. CLAY. Will the Senator permit me to ask him a question?

Mr. SMITH of Maryland. I should like to ask the Senator from Rhode Island a question.

The VICE-PRESIDENT. Does the Senator from Minnesota yield, and to whom?

Mr. CLAPP. Certainly; I yield to the Senator from Maryland.

Mr. SMITH of Maryland. I wish to ask the Senator from Rhode Island if in his judgment the importation of sugar from the Philippine Islands duty free will decrease the price of refined sugar to the people?

Mr. ALDRICH. Not one particle. I venture to predict that the importation of 300,000 tons into the United States free of duty will not make one particle of difference to anybody in the price of sugar. Of course if the importation of 300,000 tons should be increased indefinitely, if we should have a million tons or two million tons, as some people think we may have in time from the Philippine Islands—whenever the supply of sugar in the United States from the domestic product of beet sugar, or the domestic product of Louisiana, or the domestic product of Porto Rico, or the domestic product of the Philippine Islands, and the importations at reduced rates from Cuba, reach a point where the total supply of the United States is sufficient for the total consumption, then the price will be changed. That is, unless the duties are entirely removed; because then we will be under different conditions. But so long as we must import 500,000 tons or a million tons or a million and a half tons, and buy that in the markets of the world, the world's price fixes the price in the United States. There can be no question about that.

Mr. SMITH of Maryland. Then the judgment of the Senator from Rhode Island is that the only parties to be benefited by the free importation of sugar from the Philippine Islands are the Filipinos themselves.

Mr. ALDRICH. Absolutely.

Mr. SMITH of Maryland. And that the consumers in this country will get no advantage.

Mr. ALDRICH. No advantage at all.

Mr. SMITH of Maryland. And sugar will not be lower?

Mr. ALDRICH. The only advantage which will accrue to anybody will be the advantage which the American people and the American Government will derive on account of its promises and on account of its relations with the Philippine Islands and the Filipinos.

Mr. CLAY. With the Senator's permission——

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

Mr. CLAPP. Certainly.

Mr. CLAY. I should like to ask the Senator from Rhode Island a question. When we passed the reciprocity treaty with Cuba, we gave a reduction of the Dingley rates of 20 per cent. From the time that treaty was ratified up to the present time that treaty has taken from the Treasury of the United States $41,680,000. In other words, from December 3, 1903, up to the present time we would have received that much more revenue than we have received if we had not passed that treaty.

Does the Senator think that the people of Cuba received the entire benefit by the loss which we sustained resulting from the ratification of that treaty? In other words, I can not believe the $41,000,000 went entirely to the people of Cuba, considering the price of sugar there. If that entire amount went to the people of Cuba and we were trying to help an impoverished people, there would be some justification for the ratification and continuation of a treaty of that kind. But if the Cuban people did not get the $41,000,000 and it went to the American refiner—not all of it, but even a part of it—then, in my opinion, we can not justify the continuation of that treaty.

Mr. ALDRICH. That is not a question here.

Mr. CLAY. It is the question that is here.

Mr. ALDRICH. I beg pardon.

Mr. CLAY. One moment; it is the identical question that is here, for the Senator says that the people of the Philippine Islands will get the entire benefit that is to accrue by reason of this free sugar coming into this country, just as the people of Cuba got the benefit of the concession sugar that came to

this country. The two cases, to any intelligent mind, must seem absolutely parallel.

Mr. RAYNER. That gives us a great deal of information. However, the question I am after does not appear yet to have been answered. I want to know, assuming that the consumer gets no benefit from this, whether the American Sugar Refining Company does not get the benefit. That is the question I should like to have answered, and it has not yet been answered at all.

Mr. CLAPP. There can be no question of that, with all deference to the Senator——

Mr. ALDRICH. Mr. President——

Mr. CLAPP. Wait until I get through. I should like to ask any man who votes to reduce the tariff or to put a commodity upon the free list if he ever heard, until the song of Cuban reciprocity rang in our ears, that we do that for the foreigner? It is elementary; the whole drift of every argument for reducing a duty, and especially reducing a duty on raw material, is that somebody within our own confines gets the benefit of it. Will any Senator—and there will be a score of them stand here in a few days to vote for free hides—say he is doing that for the cattle grower on the Argentine plains or the savannas of Venezuela? He is doing that with a view to in some way, direct or indirect, benefit the American people.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER (Mr. KEAN in the chair). Does the Senator from Minnesota yield to the Senator from Rhode Island?

Mr. CLAPP. I yield.

Mr. ALDRICH. Does the Senator from Maryland or the Senator from Minnesota suppose that sugars 95 or 96 centrifugal brought into this market and sold in the New York market from Cuba will be at one price, and 96 from the Philippines will be another price, and 96 centrifugal from the Hawaiian Islands at another price? Does the Senator suppose there would be a quotation on one kind on 96 centrifugal coming from the Philippine Islands because no duty has been collected? Certainly not. That is against plain common sense and against the laws of trade.

Mr. CLAPP. The Senator is absolutely correct. The reported quotations at New York will show no difference between the sugar of the same grade that comes from Cuba, Porto Rico, the Hawaiian Islands, or anywhere else. If that sugar does not bring the same price in the home market, some one buys it here for less than the sugar would otherwise have brought. If that is not true, what possible support is there for one moment to the proposition of ever reducing a duty, and especially a duty on a raw material? It is true that the market quotation is gathered from Hamburg, and from Hamburg to Wall street, but, nevertheless, somebody receives it, and if it is not the people within our own confines who get the benefit of it, then there is no benefit conferred.

The market quotations, as shown here by the Senator from Georgia the other day, with reference to the price of raw sugar in Cuba after Cuban reciprocity, showed they did not get the benefit of it. The quotations of refined sugar within our tariff walls show that the consumer did not get the benefit of it. Then who does get the benefit of it, except somebody between the producer of the raw sugar in Cuba and the consumer of the refined sugar at the American table? There can be no escape from that conclusion.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Rhode Island?

Mr. CLAPP. With pleasure.

Mr. ALDRICH. Fortunately for this discussion we have a practical test of this question to which we can refer. Some twelve or fifteen or twenty years ago, possibly, the United States made a treaty with the Hawaiian Islands, then an independent sovereignty, by which we admitted Hawaiian sugar into the United States free of duty. The records will show that the price of sugar never varied a fraction of a cent or a fraction of a fraction of a cent on account of those importations.

Mr. CLAPP. The price of sugar?

Mr. ALDRICH. In this country never valued at all. The record shows that all that reduction in duty or restoration of duty was for the benefit of the people of the Hawaiian Islands. It constituted a bounty paid to the sugar producers of the Hawaiian Islands. It is the same case as this. It is simply paying to the people of the Philippine Islands a bounty of 1⅞ cents, or whatever the rate may be.

Mr. CLAPP. There is not a Senator on this floor, Democrat or Republican, who would vote to pay a bounty of that amount direct to the Philippine government or producer of sugar. When we had Cuban reciprocity in this Chamber, I proposed a proposition to donate to the Government of Cuba $3,000,000 a year. It was ridiculed. And yet we could have made that donation and saved $4,000,000 a year from that day to this. The figures as given from the quotations with respect to Cuba have absolutely proved that the Cuban producer did not get that benefit. Some one between the producer and the consumer at our table got it.

Mr. SMITH of Maryland. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Maryland?

Mr. CLAPP. With pleasure.

Mr. SMITH of Maryland. I should like to ask the Senator a question. As I understand, if this sugar comes in free it will deprive this Government of a revenue of $10,000,000. It has been answered that there is no benefit to accrue to the consumer. That $10,000,000 has to be raised in some other way. I want to ask the Senator if the people of this country will not have to pay this in some other tax elsewhere in order to make up the deficiency?

Mr. CLAPP. There is not any question about it. The American people have paid into the Treasury of the United States since Cuban reciprocity the difference between what we would have collected on that sugar and what we did collect. I think it is——

Mr. RAYNER. State the amount.

Mr. CLAPP. I think it is six or seven million dollars a year. I forget exactly.

Mr. SMOOT. Mr. President——

Mr. CLAPP. Now, here is another question.

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Utah?

Mr. CLAPP. With pleasure.

Mr. SMOOT. In relation to the question whether Cuba gets the benefit of the 20 per cent reduction that we give her, I have here the quotations of June 4, 1909, in the New York market—of centrifugals, Cuba 96 test and centrifugals 96 test, nonpreferential sugar.

Mr. ALDRICH. The price in bond?

Mr. SMOOT. The price in bond. The price of Cuban was 2.53 on June 4, 1909. Centrifugals, nonpreferential sugar from all other countries, were 2.20, showing a difference in favor of Cuban sugar—the same identical kind of sugar——

Mr. CLAPP. Where was that price quoted?

Mr. SMOOT. In New York.

Mr. CLAPP. Certainly.

Mr. ALDRICH. It is the price in bond.

Mr. SMOOT. Certainly. This firm buys and sells the sugar. This is a daily quotation. It shows a difference of 33 cents on that day between the nonpreferential sugar and the Cuban sugar and 20 per cent on 168½ is just 33.70 per cent. This is quotation on June 4.

Mr. RAYNER. Mr. President——

Mr. CLAPP. I yield to the Senator from Maryland.

Mr. RAYNER. Could the Senator tell me how much revenue we collected upon Cuban sugar before reciprocity?

Mr. SMOOT. Yearly?

Mr. RAYNER. Yes.

Mr. SMOOT. No; I do not remember.

Mr. RAYNER. I understand it was about $40,000,000. Is that right?

Mr. SMOOT. I could soon tell.

Mr. RAYNER. That is the information I have.

Mr. SMOOT. No; there are only a million tons now. It could not be that.

Mr. RAYNER. How much was the amount?

Mr. ALDRICH. It is a perfectly plain proposition.

Mr. RAYNER. How much was the amount?

Mr. ALDRICH. We do not receive as much revenue from Cuban sugar by 20 per cent as we would if we had not reciprocity.

Mr. RAYNER. How much does that 20 per cent amount to? The Senator from Minnesota states about $3,000,000. My information is it is nearly twice that—nearly three times that.

Mr. CLAPP. Not three times that. I think it was about $7,000,000 a year. I spoke hastily. But it is about $42,000,000 we have lost.

Mr. RAYNER. About $42,000,000.

Mr. BRISTOW. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Kansas?

Mr. CLAPP. With pleasure.

Mr. BRISTOW. I wanted to inquire of the Senator from Utah if he means to convey the idea by that quotation that the Cuban sugar producer has received for all the sugar that he has sold since the Cuban reciprocity treaty 33.8 cents a hundred pounds more than he would have received if that treaty had not been in force.

Mr. SMOOT. In my statement on the sugar question here the other day I frankly stated that there were conditions which, especially when the Cuban sugar was rushed here, that affected the price in the market; when the Cuban did not get the full amount. But there are times, and most of the year, when he does get the full amount, as the quotations of June 4, 1909, will show.

Mr. BRISTOW. That is, sometimes he gets it and sometimes he does not.

Mr. SMOOT. That is just the statement I make.

Mr. BRISTOW. He does not get it when there is the most sugar coming in.

Mr. SMOOT. That affects the market.

Mr. BRISTOW. And the price goes down. When there is very little coming in the price is up.

Mr. SMOOT. Not necessarily that. I think that is putting it in rather an unfair position.

Mr. BRISTOW. Generally, that rule prevails, does it not?

Mr. SMOOT. No; I would not want to say that.

Mr. CLAPP. To continue——

Mr. NEWLANDS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Nevada?

Mr. CLAPP. For a question. It is getting late.

Mr. NEWLANDS. I will not interrupt the Senator.

Mr. CLAPP. To continue the remarks I was making, I want to say that to my mind this is the most remarkable proposition that was ever presented by a Republican committee. The Senator from Rhode Island the other day——

Mr. ALDRICH. Will the Senator permit me for a moment?

Mr. CLAPP. With pleasure.

Mr. ALDRICH. It is well understood, an absolutely open secret, that this proposition is here at the request and suggestion of a Republican President of the United States, and that he is extremely desirous, for the benefit of a people whom he believes to be wards of the United States, and over whose destinies he presided, that this proposition should be adopted.

Mr. CLAPP. I am glad to hear that.

Mr. ALDRICH. I think the Senator from Minnesota knew it as well before I stated it as he knows it now.

Mr. CLAPP. I did not know it.

Mr. ALDRICH. Well, I do.

Mr. CLAPP. The Senator from Indiana stood here a few days ago and read speech after speech of the President of the United States in which he had promised the American people in the main a reduction upon these tariff schedules. Why are not the Senators who are controlling this legislation as desirous and solicitous for maintaining the integrity of a President's promise which had been written into a thousand newspapers, which had been written into his public address in this Chamber on the 4th day of March, and about which there can be no quibble, instead of insisting here about promises of which the Senate, so far as I know, has no knowledge direct from the President?

There is in the President's message, however, a discussion as to the danger of allowing oriental immigration into this country, and pursuing that same line I, for one, am opposed to allowing the product of oriental labor to come into this country as against that of the American workingman.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Rhode Island?

Mr. CLAPP. With pleasure.

Mr. ALDRICH. Has the Senator's attention ever been called to the provision of the Republican platform upon this subject?

Mr. CLAPP. I have heretofore discussed that platform in the Senate, perhaps to the Senate's own weariness.

Mr. GALLINGER. Not that phase of it.

Mr. CLAPP. Yes; I think so.

Mr. ALDRICH. The President of the United States and his predecessor in office have repeatedly called the attention of Congress to the desirability of adopting legislation of this precise character.

Mr. CLAPP. Of this precise character?

Mr. ALDRICH. Yes, sir; this precise character; full free trade.

Mr. CLAPP. Oh, that is another proposition.

Mr. ALDRICH. This is only partial free trade.

Mr. CLAPP. This is not anything except something that I prophesy on this floor to-day will, if it succeeds, be reflected in the advance of the stock of the American Sugar Refining Company of this country.

Mr. ALDRICH. Certainly; absolute free trade would do that.

Mr. CLAPP. Absolute free trade in refined sugar would not.

Mr. ALDRICH. I suppose it is of no consequence to the Senator from Minnesota what the views of the President of the United States may be upon this question; but while I do not pretend to be his official representative on this floor, I do not transcend my own ideas of my obligation to the President and I am sure I do not transcend anyone's idea of propriety when I say that I know that not only is the President in favor of legislation of this kind, but he is in favor of this identical legislation.

Mr. CLAPP. I should like to just analyze this for a moment and see whether he is.

Mr. BRISTOW. Will the Senator permit me?

Mr. CLAPP. With pleasure.

Mr. BRISTOW. I should like to ask the Senator from Rhode Island, if he will give me his attention——

Mr. CLAPP. No; of course not.

Mr. BRISTOW. I should like to ask the Senator from Rhode Island if the President is in favor of incorporating into this bill the identical provision which my amendment seeks to take out, and that is, fixing the same duty on refined sugar for the Philippine Islands, including the Dutch-standard provision, that we have in the laws of the United States? That is the question before the Senate now. Does the Senator stand here and say that the President has told him he is in favor of putting that provision into this law?

Mr. ALDRICH. I do not know what the Senator's amendment is or what his views are upon this subject.

Mr. BRISTOW. Of course the Senator does not know what the amendment is, because he will not stay here and listen to the discussion.

Mr. ALDRICH. Therefore I am not able to say whether the President agrees with the Senator from Kansas or not.

Mr. CLAPP. To resume, I want to know whether he believes that any man fit to be President, unless it be a man who has never been President, although three times he has aspired to that high office, would agree to that proposition. There is no man on this floor who holds in higher esteem the opinion of our President than I do, and for a month here, perhaps without very much progress yet—although I believe that some light is coming through the clouds—I have tried to make that man's promise a part of the performance of our duty. But the President has a means by which he can communicate to the Senate.

I find in the Democratic platform of last year two wonderful propositions. One was to allow the products of other countries to come into this country free when they came into competition with a trust product; and in my humble capacity I helped to punch holes through that proposition, upon the theory that when an article reached our shores, no man on earth could tell whether it would be sold at a particular point in competition with a trust-produced article or in competition with an article produced by an independent concern. And yet the Senate last Saturday solemnly enacted that the duty upon a certain commodity when it reached our shores should depend upon the question whether it was going into the American stomach or going into a piece of cotton goods as a part of the finished product of the cotton itself.

Then we have another——

Mr. RAYNER. And yet the Senator is now standing on the Democratic platform?

Mr. CLAPP. It struck me at the time, and I reminded some of my colleagues, that it was a problem.

We have another proposition in the Democratic platform of last year, and that was that a license should be issued to allow these combinations to make 25 per cent of the product of the country, and the Senator and every Republican in this country ridiculed that, saying it was absolutely impossible to administer any such proposition, and it passed into innocuous desuetude along with the balance of that platform.

See what we have here. Here is a proposition to allow 300,000 tons of Philippine sugar to come into this country free; and how is it to be determined? It is not every prophet who lives to see his prophecy worked into legislation by his opponents. It is to be determined by first taking those men who produce less than 500 tons, giving them the first chance. Then when they are filled, if there is still something left of the

300,000-ton limit, it can be put in by men who have raised more than 500 tons. I do not believe that the President indorses any such fallacy as that—a proposition that could never be worked out in practical results.

Here we find a Filipino farmer, for whom we shed tears and for whom we plead to-day, and out of the bounty of our sympathy we must take care of that man. He lives within reach of the market, so that he can get his 500 tons in before the 300,000-ton limit is reached, and then comes another poor Filipino for whom we are weeping and shedding tears of sympathy, but he does not get there within the 300,000-ton limit, and consequently he does not get the benefit of this so-called "bounty." Of all the patchwork that was ever reported for legislation, it does seem to me, with all due deference, this takes the palm.

The Senator from West Virginia is absolutely right. There are two principles involved in this tariff—either a moral question or a question of dollars and cents. If it is a question of dollars and cents, we should collect a duty on the Philippine product. If it is a moral question, there can be no compromise on it. If it is the duty of the American Republic to let in Philippine sugar because it is due as a moral right to the Filipino, then it is an equal duty to let in every pound that every poor Filipino may be able to produce. The Senator from West Virginia is absolutely right. There can be no compromise upon this question.

I do not believe that any such proposition as that ever passed the scrutiny of that great jurist who to-day sits in the executive chair of this Nation. If so, there is a way to bring that approval to the Senate rather than the mere say so of some Senator. When we had up Cuban reciprocity, we were told that somebody had promised something to the Cubans, and we must maintain that promise. Now it is proposed to enact this proposition into legislation, based upon the theory that there are two Filipinos entitled to the benefaction of this Republic, and yet the one who can get to the market first with his 500 tons of sugar is benefited and the other is barred out. That involves no such proposition as should in the last analysis be a solution of a moral question or the recognition of a moral obligation.

There is one thing more, and then I will quit. I did not intend at this particular time to talk on this subject. For eight years I have stood in the Senate, and I have legislated as honestly and conscientiously as I knew how for what I believed, next to the agricultural interest of America, to be the basis upon which our prosperity rests, and that is the industrial life of our country.

For the last few months this Chamber has rung with the exclamations of those who wanted to do something for American labor, and now it is proposed to open the Philippine Islands to allow men to go there and exploit that cheap labor and then bring the product here in competition with American labor.

A Senator said this matter has been arranged. Have the men who have eked out only half an existence in making cigars appeared here and consented to this arrangement? Have the independent beet growers who are left in this country come here and consented to this arrangement? I think not.

For one, let the consequence be what it may, I will not and can not vote for a proposition that will bring in competition with the American laborer the product of the laborer of the Philippine Islands, employed, as he inevitably will be, not by Filipino capital, but by American capital, and exploiting the product of that cheap labor here in our very midst in competition with our own American labor.

Mr. BRISTOW. Mr. President, referring to the suggestion made by the Senator from Nebraska [Mr. BURKETT], the Senator seems to be disturbed because the Filipinos now are buying sugar upon which a bounty is paid on its export from the countries where it is produced. In this he is mistaken. There is no bounty-produced sugar in Germany now, nor has there been for about five years.

The drift of the Senator's argument was that we were opening up to the Filipinos a market for their raw sugar. I made a statement in addressing the Senate this morning to the effect that the sugar which comes here from the Philippine Islands has practically but one buyer. Occasionally some other refinery may buy a small amount, but the great bulk of the sugar that comes from the Philippine Islands here is bought by the American Sugar Refining Company.

It is not sold to the trade. It is bought to be refined. The removal of the duty from Philippine sugar will give the American Sugar Refining Company its raw sugar from the Philippines cheaper than it gets it now. That can not be denied, because I will cite Cuba as an illustration. The refiners in this country who buy Cuban sugar to-day do not pay the same that they did before the treaty, plus the duty; that is, the Cuban people do not get the full advantage of the 33.8 cents per hundred pounds that was taken off the duty. It did not increase the price of their sugar that much. Take the present tariff of the Dingley rate off the Philippine sugar, and the Filipino will not get as much for his sugar as he is getting now. He is not sending his sugar here. He is selling it where he can. He will not get what he is now receiving, plus the duty.

The Senator from Rhode Island has said that it will not reduce the price of refined sugar in this country a penny, and that is true. The Filipino will not get the price that he now gets, plus 75 per cent of the duty. That will not happen. That can not be denied. The Cuban does not get it. He has not gotten it a single year since the treaty has been ratified, and the Filipino will not be as fortunate as he, because the Cuban makes better sugar, and therefore has a better and a wider market for his product.

The difference between the amount that the Filipino gets for his sugar now, plus the duty, and the amount he will get then, will be the amount that the American Sugar Refining Company will make out of this concession, the same as it made a large amount of money out of the Cuban reciprocity treaty.

The Senator from Rhode Island made the statement that 96° centrifugal sugar coming from the Philippine Islands commanded a certain price. I should like to have informed him, if he had honored me by remaining here, that there is no 96° centrifugal sugar coming from the Philippines to the United States and never has in the history of those islands. The highest degree of sugar imported from the Philippine Islands to the United States last year was 89°.

The Senator from Rhode Island says if this bounty is extended, there will be sugar refineries established in the Philippines. There are no sugar refineries in Hawaii, although they produce 500,000 tons a year and sell it in the United States free of duty. There have never been any sugar refineries established there; there are none there now.

Mr. PERKINS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from California?

Mr. BRISTOW. Certainly.

Mr. PERKINS. I will say to the Senator from Kansas that the planters of the Hawaiian Islands have a sugar refinery in San Francisco.

Mr. BRISTOW. But they did not establish it in Hawaii; they established it in San Francisco.

Mr. PERKINS. Eighty-five per cent of it is owned by planters in the Hawaiian Islands.

Mr. BRISTOW. There is a sugar refinery, owned largely by Hawaiian sugar planters, established at San Francisco. The Senator from Rhode Island said that there would be refineries established in the Philippines. There are none in Cuba, there are none in Porto Rico, there are none in Hawaii. For some reason—why, I do not know—when the Hawaiian planters established their refinery they put it at San Francisco instead of in their own islands, and they established that—and if I am wrong in this I invite the Senator from California to correct me—for the purpose of being able to refine Hawaiian raw sugar, if it was necessary, instead of being compelled to depend upon the trust that fixed their prices for sugar.

Mr. PERKINS. I think the Senator is correct in that respect.

Mr. BRISTOW. As the result of establishing that refinery they were able to make a far better contract than they were before they owned the refinery, and they have the best contract for their raw sugar of any country in the world. That is because they were rich enough and strong enough to establish a refinery of their own and to be independent of the sugar trust.

But the Filipinos can never do that, because the 300,000 tons, which is the limit that they can export here, would not justify them if it was practical. For some reason there are no refineries established in the Tropics. The sugar is refined in England, in the United States, Canada, and so forth. They do not refine it where it is grown, except the beet sugar.

The Senator from Nebraska [Mr. BURKETT] stated that the English refineries had been destroyed for some vague and indefinite reason. The English refineries are running now; they are refining the sugar that is consumed in England, and they have no protection whatever except about 40 cents per hundred pounds, the same on refined sugar that is on the same degree of raw sugar. There is no Dutch standard proviso there. Their pure sugar, whether it is raw or refined, is judged by the

polariscopic test as to its saccharine strength, and that fixes its price as well as the duty.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Utah?

Mr. BRISTOW. Certainly.

Mr. SMOOT. If I understand the Senator, he says that England refines all her sugar.

Mr. BRISTOW. Yes; they do now, practically, since the bounty was taken off of German sugar.

Mr. SMOOT. England does not refine 50 per cent of her sugar. I know that she refined 79 per cent, but the amount has now fallen down to about 49 per cent.

Mr. BRISTOW. It is true that when Germany was paying a bounty on the sugar they undersold the English refiner, and the English refineries were closed, but since the bounty has been taken off German sugar, they are now refining their sugar. If the Senator will visit me at my office some time, I will show him some English sugar that has been refined, and I will tell him what it was sold for.

Mr. SMOOT. I know that England refined last year 49 per cent of the refined sugar, and I know they used to refine 79 per cent of it; and it is because there is no differential in England that the refinery of sugar is leaving England and going to Germany.

Mr. BRISTOW. They probably have not such a class of refineries there as we have built up here by exorbitant protection on refined sugar. I take it for granted that the refiners in England have not robbed the treasury and everybody else they could get at.

The Senator from Nebraska claims that we should not permit the Filipinos to buy refined sugar from any other country because we are going to permit them to market 300,000 tons of their sugar here. If the Senate would remove the restriction limiting the amount that could be imported by any one sugar factory to 500 tons, so that centrifugal mills or factories would be established in the Philippines and have an opportunity to make that sugar [exhibiting], then we would have a high grade of raw sugar made in the Philippines; but it is not practicable to establish centrifugal factories there when 500 tons is the limit they can produce.

By the amendment which I have modified, raising that limit to a thousand tons, it would enable the establishment of centrifugal factories and then you would enable the Filipinos to make a sugar that can find a market not only in this country at a reasonable price, but also in other countries, and you would encourage and help them in sugar producing; but as long as you confine it to that small amount and do not permit them to put in the modern machinery that is necessary to make the high-grade raw sugar, then you prevent them from taking advantage of the very laws of manufacturing that will enable them to develop their resources. Instead of extending to them this favor that we propose to extend to them, we pretend to extend it, but so hedge it about it is not much of a favor at all, because with the production of that kind of sugar [exhibiting] there is but one market for it in the United States, and that is the refineries, and the American Sugar Refining Company is the only company that will take it and use it except occasionally when they sell an order to some other company.

They are absolutely at the mercy of the trust to find a market for their product, and you are not only placing them at the mercy of the trust for a market for the raw sugar, but it is proposed to make them pay upon any refined sugar that may be imported the full rate of this bill, not for the purpose, as suggested by the Senator from Massachusetts, of securing revenue to their treasury, because they would not get any revenue; there is no revenue that comes to the people of the United States from the importation of refined sugar, because the duty is prohibitory. So the result of this legislation is that you confine them to the old crude method of making sugar and do not give them an opportunity to embrace the modern facilities for making a high-grade sugar such as that which is made in Louisiana.

Then as the compensation for this pretended favor you impose upon them a provision in regard to the importation of refined sugar into their own country that is obnoxious to the sense of justice of mankind, and you will add, if the Philippines ever become free, one more of the nations of the world that use the Dutch standard, making eight instead of seven, excepting this country of ours.

Now, Mr. President, that is why I am objecting to this. I am not discussing the desirability of admitting 300,000 tons into this country, as has been discussed by a number of Senators. That is an entirely different question. If this legislation is for the benefit of the Filipinos, should they not be given the opportunity to get the greatest possible advantage out of the legislation? Should they not have the widest possible market for their product? Should they not have an opportunity to develop the most important facilities for the production of sugar, so as to make a sugar that can sell in competition with other countries in China, that will compete with Java and the other sugar-producing countries?

But we deny them the facilities their competitors have for producing the best sugar in the world, and selling it in their markets; we, as their guardians, propose to engraft into this legislation a provision which prevents them from utilizing advantages which their competitors have, and compel them to send it all here, practically, to one purchaser, the American Sugar Refining Company; and, as I have frequently said, compel them to pay this high duty on their refined sugar.

We compel them to sell to the American Sugar Refining Company their crude sugar, which brings practically nothing; 75° sugar brings, I think, $1.30 a hundred. If I should take the time of the Senate, I could give you the price paid for this [exhibiting] 82° sugar. I think it brings $2.14 a hundred. The refiner pays more than anybody else will pay, because it is unfit for use except when refined, and there is no market in the United States except that refinery. So the Filipino has no place to sell except a refinery, and then by this legislation you propose to make him buy his refined product from the same refinery also. You compel him to sell his product to one institution, and then you make him buy the refined product from the same, and that institution fixes the price it pays him for his raw product as well as the price it charges him for his refined.

You may indulge in all the statistics you please; you may argue here from the standpoint of misinformation; you may make declarations here that are not in harmony with the facts, as every one of the Senators who has defended this provision has, but it does not remove the naked fact from this legislation; that is, the result of this legislation will be to compel the Filipino to sell his raw product to the American Refining Company, and then the people of that island to buy the refined sugar, if they use it at all, practically from the same company. That will be the practical effect. In my judgment, it is vicious and wrong.

APPROPRIATIONS, IF NECESSARY, FOR EDUCATION, INDUSTRIAL TRAINING, OR AGRICULTURAL DEVELOPMENT, BUT NOT ONE DOLLAR TO FAVORED INTERESTS.

Mr. NEWLANDS. Mr. President, I understood the Senator from Rhode Island to state that this remission of duty to the Philippine Islands constitutes a bounty to the Filipino producers, and that it will doubtless so stimulate the production of sugar that they will perfect their processes and make 96° centrifugal sugar, upon which the duty is 1.68 cents per pound, or about $35 per ton. I thus understand the Senator from Rhode Island to admit that upon 300,000 tons the total annual bounty to be paid to the Filipino producers by the remission of this duty is about $10,000,000.

Now, Mr. President, the question arises as to who the Filipino producers are. Are they the masses of the people, or are they the owners of large estates; and if the latter, as I understand is the case, will any of the benefit of this bounty filter down to the masses of the people themselves, whom it is our purpose to benefit? Then the question arises as to who will be the producers of sugar after this bounty is voted.

I take it for granted that the American sugar trust will be as active in the Philippine Islands, in case this bounty is given to sugar production, as it has been in the island of Cuba; and the indications are that this trust and the persons associated with it will ultimately absorb the cultivation and production of sugar in Cuba, just as they have absorbed the control of the beet-sugar companies in this country.

The total bounty amounts to $10,000,000 annually. The period of our occupation in those islands is assumed to be not less than fifteen or twenty years; so that during the period of fifteen years we will pay a bounty of $150,000,000, and during twenty years, if our occupation lasts that long, we will pay a bounty of $200,000,000.

What is the purpose of the bounty? The purpose of Mr. Taft doubtless is to benefit the Filipino people, not to subsidize the sugar trust, not to subsidize the large owners of land in the Philippine Islands, but to benefit the people themselves.

We all know that the class of labor engaged in cane culture is semiservile, attached to the soil, with no rights in it. We all know that this bounty will go either to the sugar trust or to

the large planters, and that very little of it will go to the people themselves, whom it is the President's desire to benefit.

If this philanthropic purpose of the President is to be carried out, and I have no objection to the purpose, on the contrary, I would applaud it, is there not a better way of benefiting the Filipino people than to subsidize the sugar trust or the Filipino planters to the extent of $10,000,000 annually? The Senator says that if production is stimulated there the Philippines will soon produce the highest standard of sugar. How?

By the erection of sugar mills. I am told by the Senator from Louisiana, who sits at my side [Mr. McENERY], that the cost of a sugar mill, which turns out 30,000 tons of sugar per annum, is about $300,000. Ten sugar mills would turn out 300,000 tons of Philippine sugar, the amount which it is proposed to import into this country free of duty. So that $2,500,000 would cover the total cost of 10 modern sugar mills which the Government could help to establish, and thus accomplish some good to the small producers of cane sugar, who would have access to mills having an established toll for the purpose of crushing sugar cane and turning it into sugar, according to the most improved methods.

So in the place of this enormous bounty of one hundred and fifty million or two hundred million dollars, contemplated by this tariff, to the producers of sugar, the Government could, at a cost of $2,500,000, aid in establishing in the Philippine Islands these great mills, which would assure improved methods of sugar production at reasonable tolls.. The small producer of cane would thus be protected, and the great masses of the people would be more effectively reached.

So there is the contrast. A present expenditure of two and a half million dollars against an expenditure of one hundred and fifty million or two hundred million dollars in a period of ten or fifteen or twenty years, the most of which would go to the sugar trust or to the great land proprietors of those islands.

Mr. President, I am in absolute sympathy with the President's purpose to discharge in full our trust regarding the Filipino people. It is true that I was opposed to the assumption of such trust. When Dewey won his great victory at Manila, I urged President McKinley to immediately order Dewey and his fleet to Cuba, claiming that whilst the destruction of the Spanish navy, wherever found, was a legitimate part of the humane war inaugurated for the freedom of Cuba, it was not a legitimate part of that war to take possession of any of Spain's possessions except Cuba and that our efforts should be concentrated there.

I would have been glad if this had been done, but we have now assumed a certain responsibility toward the Philippine Islands. We have assumed a trust toward those islands, and it is obligatory that we should discharge it in a manner becoming the intelligence, the honor, and the conscience of our country.

So, I stand ready to vote direct appropriations, if they are necessary, in aid of the education, in aid of the industrial training, in aid of the agricultural development of the Filipino people, but I will not vote for one dollar of bounty to favored interests; I will not vote one dollar to the sugar trust, which, in my judgment, in the end will become the monopolistic producer of sugar in these islands; nor will I vote one dollar to the great sugar planters of those islands who view the laborers upon their plantations as mere slaves, attached to the soil, but without right in it. I do not believe that this kind of agricultural development will advance the capacity of the Filipino people for self-government.

Mr. STONE. Mr. President, it is not my purpose at this moment to discuss the committee amendments as a whole. I want, however, to make one or two observations with regard to the particular amendment now pending. That amendment relates to the second proviso in the committee amendment. That proviso in effect provides that where sugar or tobacco is exported from foreign countries into the Philippine Islands it shall bear the same rate of duty as like articles would be subject to if imported into the United States. The Senator from Kansas [Mr. BRISTOW] moves to strike from the proviso so much of it as relates to sugar.

The question was asked a while since by the Senator from Maryland [Mr. RAYNER] as to who would be benefited by the passage of this proposed provision of law, as a whole. The Senator from Rhode Island answered that question by saying that no one under heaven would be benefited by this proposition of free trade, or limited free trade, if such a thing can be conceived, except the Filipino planter.

The Senator from Rhode Island was speaking with regard to the whole amendment. I will not now speak to the whole question; but I will answer the inquiry as applied to the particular amendment proposed by the Senator from Kansas to the committee amendment. Under this proviso, the second in the amendment, the Filipino planters would perhaps get a benefit at some time—not now, but at some indefinite period in the future. The Senator from Massachusetts [Mr. LODGE] stated this afternoon that, in his opinion, the enactment of this provision would not increase—at least for a very long time—the importation of sugar from the Philippine Islands to the States. There is a prospect of some good coming to the Filipinos by opening up our markets to them—at least so it is said—at some time in the distant future. It is a privilege to be enjoyed in futuro, not in præsenti.

But, Mr. President, the sugar refineries—the sugar trust—of the United States would be immediately benefited by the enactment of this provision. The Filipino can now import his refined sugar from foreign countries for use in his home at a lower rate of duty than like sugars can be imported into the United States.

Pass this law, and immediately upon its being signed by the President the Filipino, importing sugar for his own consumption or for sale in his local market, will be obliged to pay a much higher duty than now—a duty equivalent to that exacted in this country—and will be in effect compelled to purchase from the sugar refiners here, because the sugar refiners of the United States, under the provisions of this amendment, can export sugars from our shores and land them in the ports of the Philippine Islands free of duty; and, to be sure, that would give to them the same monopoly of the Philippine market they now enjoy in the United States.

The question is, Who gets the benefit of that? There is a vague hope of benefit held out to the Filipinos lying somewhere in the distant future; but the sugar trust would enter upon the full enjoyment of its advantage at once.

Mr. President, this is simply another instance of the bunco game that is being played upon the Philippine people in the course of our policy of "benevolent assimilation." If the view of this matter to which I have alluded covered the case, I would not hesitate to vote for the amendment proposed by the Senator from Kansas.

But there is another consideration which seems to me to be important, and which has been several times adverted to, which makes me hesitate, and that is this: If this proposition carries, and it will, and if the tariff rate in force in the United States is not applied to the Philippines, and they are permitted to bring in outside sugars from the wide world free of duty, or at a rate of duty far below that obtaining in the States, I can see how a vast amount of outside sugar might be brought in here as Philippine sugar. They could take it into the islands at a low rate, and then send it here. That result might possibly be avoided by some well-matured plan of administration, but I doubt it.

Mr. BRISTOW. Mr. President——

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

Mr. STONE. I do.

Mr. BRISTOW. Mr. President, of course it is to be presumed that the Treasury Department will make ample provision to protect us from such fraudulent importations. This proposed law requires that only the product, and wholly the product, of the Philippine Islands may enjoy this benefit; and so any sugar that was not the product wholly of the Philippine Islands could not come, according to the proposed law. The same provision should be made to protect us from importations of that kind that is now made to prevent the sugar refineries from importing sugar in bond, refining it, and selling it to the American people without paying the duty. The same system or process in administration would be necessary; but that would be no more difficult in one case than it is in the other.

Mr. STONE. It is true other provisions of this measure do provide that the products of the Philippines coming into the United States shall be wholly of material produced in the Philippine Islands; still, if a large amount of Java sugar, or other oriental sugar, should be imported into the Philippine Islands, I apprehend that the law-enforcing part of the Government would find it difficult to keep track of those importations and prevent them being unloaded, to a greater or less extent, upon the American market.

Mr. BRISTOW. Mr. President——

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

Mr. STONE. Yes, sir.

Mr. BRISTOW. Mr. President, I should like to advise the Senator that the provision in the bill requires that any importations from the Philippines must be direct, accompanied by a through bill of lading, and, as amended, within three months.

Mr. STONE. I know that. However, I do not care to prolong this phase of the discussion. The Senator from Kansas and others went over it very fully this afternoon, and, if I revive it now, it would result in little more than a repetition of what has been already said. I listened with great care to all that was said, and I am not able to escape the apprehension to which I have alluded. That is the only thing that makes me doubt in the least degree the wisdom of what the Senator from Kansas proposes.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Kansas [Mr. BRISTOW].

Mr. BRISTOW. Mr. President, the yeas and nays, I understand, have been ordered on the amendment.

The PRESIDING OFFICER. They have been ordered.

Mr. BULKELEY. Mr. President, I should like to have the amendment stated.

The PRESIDING OFFICER. The amendment proposed by the Senator from Kansas will be stated.

The SECRETARY. On page 2, line 5, of the amendment, after the word "That," it is proposed to strike out the words "sugar, refined or unrefined, and;" and in line 9, after the word "upon," to strike out the words "sugar and."

Mr. BULKELEY. Are we to vote on both amendments at the same time, Mr. President?

The PRESIDING OFFICER. The Chair so understands. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. STONE (when Mr. BEVERIDGE's name was called). I have a general pair with the Senator from Wyoming [Mr. CLARK], who is in the Senate, but I have a special pair this afternoon with the Senator from Indiana [Mr. BEVERIDGE], and therefore withhold my vote.

Mr. ELKINS (when his name was called). I am paired with the Senator from Texas [Mr. BAILEY]. I will therefore withhold my vote.

Mr. FLINT (when his name was called). I am paired with the senior Senator from Texas [Mr. CULBERSON]. He being absent, I will withhold my vote. If he were present, I should vote "nay."

Mr. McLAURIN (when his name was called). I am paired for the day with the junior Senator from Michigan [Mr. SMITH].

Mr. BURTON (when Mr. OLIVER's name was called). The Senator from Pennsylvania [Mr. OLIVER] is unavoidably detained this afternoon. If he were present, he would vote "nay." He is paired with the junior Senator from Oregon [Mr. CHAMBERLAIN].

Mr. ELKINS (when Mr. SCOTT's name was called). My colleague [Mr. SCOTT] is unavoidably detained from the Senate this afternoon. He is paired with the senior Senator from Florida [Mr. TALIAFERRO]. If present, my colleague would vote "nay."

Mr. TALIAFERRO (when his name was called). I have a general pair with the junior Senator from West Virginia [Mr. SCOTT]. In his absence, I withhold my vote.

Mr. WARREN (when his name was called). I am paired with the Senator from Mississippi [Mr. MONEY], who is temporarily absent from the Chamber, and I therefore withhold my vote. If permitted to vote, I should vote "nay."

The roll call was concluded.

Mr. CHAMBERLAIN (after having voted in the affirmative). I am paired with the junior Senator from Pennsylvania [Mr. OLIVER]. In his absence, I withdraw my vote.

Mr. CURTIS (after having voted in the negative). I desire to inquire if the Senator from Alabama [Mr. BANKHEAD] has voted.

The PRESIDING OFFICER. The Chair is informed that he has not voted.

Mr. CURTIS. Then I desire to announce my pair with that Senator and to withdraw my vote.

The result was announced—yeas 11, nays 49, as follows:

YEAS—11.

Bristow	Cummins	Fletcher	Newlands
Brown	Davis	Gore	Tillman
Clapp	Dolliver	La Follette	

NAYS—49.

Aldrich	Crane	Johnson, N. Dak.	Perkins
Bacon	Crawford	Jones	Piles
Borah	Cullom	Kean	Root
Bradley	Daniel	Lodge	Simmons
Brandegee	Depew	McCumber	Smith, S. C.
Briggs	Dick	McEnery	Smoot
Bulkeley	Dillingham	Martin	Stephenson
Burkett	Dixon	Nelson	Sutherland
Burnham	du Pont	Nixon	Warner
Burrows	Foster	Overman	Wetmore
Burton	Gallinger	Page	
Carter	Guggenheim	Paynter	
Clark, Wyo.	Heyburn	Penrose	

NOT VOTING—31.

Bailey	Curtis	Johnston, Ala.	Shively
Bankhead	Elkins	McLaurin	Smith, Md.
Beveridge	Flint	Money	Smith, Mich.
Bourne	Frazier	Oliver	Stone
Chamberlain	Frye	Owen	Taliaferro
Clarke, Ark.	Gamble	Rayner	Taylor
Clay	Hale	Richardson	Warren
Culberson	Hughes	Scott	

So Mr. BRISTOW's amendment to the amendment of the committee was rejected.

Mr. FLETCHER. Mr. President, I wish to offer an amendment. I will not delay the Senate by discussing it, as I have already expressed my views and explained my position about it. I move to amend the amendment on page 1, line 5, by striking out the colon after the word "countries," inserting a period, and striking out the remainder of the substitute amendment, so that it will read:

471d. There shall be levied, collected, and paid upon all articles coming into the United States from the Philippine Islands the rates of duty which are required to be levied, collected, and paid upon like articles imported from foreign countries.

Mr. ALDRICH. I hope we can get a vote on that.

The PRESIDING OFFICER. There is an amendment pending, offered by the Senator from Kansas [Mr. BRISTOW] upon which he desires a separate vote. Does the Senator insist on a vote on the amendment?

Mr. BRISTOW. I ask merely for a viva voce vote.

The VICE-PRESIDENT. The question is on agreeing to the amendment of the Senator from Kansas, which will be stated.

The SECRETARY. On page 2 of the amendment, in line 15, it is proposed to strike out the words "five hundred" and insert "one thousand."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The Senator from Missouri [Mr. STONE] has given notice of an amendment which he desired to offer, which will be stated.

Mr. STONE. That comes in at the end.

The PRESIDING OFFICER. Does the Senator desire to withhold the amendment?

Mr. STONE. I will withhold it for the present.

The PRESIDING OFFICER. The Secretary will then state the amendment of the Senator from Florida [Mr. FLETCHER].

The SECRETARY. Page 1 of the amendment, line 5, it is proposed to amend by striking out the colon after the word "countries," inserting a period, and striking out all that follows.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. FLETCHER. I understand there are Senators who desire to discuss that matter in detail, and therefore I ask to withdraw the amendment for the present.

The PRESIDING OFFICER. The amendment is withdrawn. The question now is on the amendment of the Senator from Missouri [Mr. STONE].

Mr. STONE. Let the amendment be stated. I desire to discuss the amendment for about fifteen minutes.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. At the end of the amendment already agreed to, insert the following:

And provided further, That it is hereby declared not to be the policy and purpose of the United States to maintain permanent sovereignty over the Philippine Islands, but to exercise authority in and over said islands only so long as may be necessary, not to exceed fifteen years from and after the passage of this act, to organize and establish a native government capable of maintaining public order in said islands, and until such international agreements shall have been made between the United States and foreign countries as will insure the independence of said islands and the people thereof.

Mr. STONE. Mr. President, I ask the Senator from Rhode Island, it being now within three or four minutes of the time for a recess, if he will not consent to have the recess begin now?

Mr. ALDRICH. I supposed the Senator from Connecticut [Mr. BULKELEY] had the floor. I do not know whether he desired to offer an amendment. I take it the Senator from Missouri does not desire to dispose of his amendment now.

Mr. STONE. The amendment I have offered comes at the end of this paragraph; and if there is anything ahead of that I withhold my amendment and will let the other one come in.

Mr. BULKELEY. I have not the floor.

Mr. ALDRICH. It is immaterial to me how the thing goes, so long as it goes.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. STONE. I am waiting to see if the Senator from Rhode Island is going to move to take a recess.

Mr. ALDRICH. The Senate will take a recess without any motion in a moment.

The PRESIDING OFFICER. The Senator from Missouri has the floor.

Mr. STONE. I do not care to proceed with what I wish to say when in one moment the Senate will take a recess. I move that the Senate take a recess until 8 o'clock.

Mr. ALDRICH. The order of the Senate provides for a recess at half past 5.

The PRESIDING OFFICER. The hour of half past 5 has not yet arrived.

Mr. STONE. I ask unanimous consent that the Senate now take a recess until 8 o'clock this evening.

The PRESIDING OFFICER. The Senator from Missouri asks unanimous consent that the Senate take a recess until 8 o'clock this evening. Is there objection? The Chair hears none.

The Senate thereupon (at 5 o'clock and 28 minutes p. m.) took a recess until 8 o'clock p. m.

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.

The VICE-PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Missouri.

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

The VICE-PRESIDENT. The Senator from Montana suggests the absence of a quorum. The Secretary will call the roll.

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

Aldrich	Clay	Guggenheim	Piles
Beveridge	Curtis	Heyburn	Root
Brandegee	Daniel	Johnston, Ala.	Scott
Briggs	Davis	Jones	Smith, Md.
Bristow	Depew	Kean	Smoot
Brown	Dick	La Follette	Stephenson
Bulkeley	Dillingham	McCumber	Stone
Burkett	Dolliver	McEnery	Sutherland
Burnham	du Pont	Martin	Tillman
Burrows	Elkins	Nelson	Warner
Burton	Fletcher	Newlands	Warren
Carter	Flint	Oliver	Wetmore
Chamberlain	Foster	Overman	
Clapp	Frye	Page	
Clark, Wyo.	Gallinger	Perkins	

The VICE-PRESIDENT. Fifty-seven Senators have answered to the roll call. A quorum of the Senate is present.

Mr. STONE. Mr. President, it goes for the saying that I am opposed to the proposition submitted by the Finance Committee, unless the amendment I offer is agreed to. I do not intend to discuss this question at any considerable length to-night. Several weeks ago, in an address I then delivered, I laid my objections to this amendment in extenso before the Senate, and there is no need for me to repeat that argument at this time. I do wish, however, to trespass briefly on the time of the Senate to register a final protest against the measure, and thus end, at least for the time being, the vain effort I have made here in behalf of Filipino independence. We know now that the proposition of the Finance Committee will be adopted as well as we will know it after the vote is taken. It would be a useless task, therefore, and a waste of time for me to speak at length against it. It would not change the result.

Mr. President, I hold to the fundamental idea that if the Philippine Islands are American territory, absolutely and permanently under the sovereignty of the United States, sustaining a relation to this Government analogous, for example, to that which Alaska sustains, then the Congress can not constitutionally impose import duties upon articles brought into our ports from those islands. Regarding the question from that point of view, and assuming the islands to be a part of our national domain, I deny the constitutional power of Congress to enact this legislation.

However, I do not believe that the Philippine Islands sustain that relation to the United States, or that the United States have ever yet assumed to hold or to exercise absolute sovereignty over the islands. On the contrary, my contention is that our occupation of these islands is temporary in its character. They have never as yet been incorporated into or accepted as a part of our territorial domain. They still lie outside of that recognized limit. We hold possession in trust, somewhat as we held Cuba in trust, for the native people of the islands. In the speech I delivered here several weeks ago, in which I discussed this whole subject at considerable length, reviewing the leading cases adjudicated before the Supreme Court applicable to the consideration, I sought on authority to show, and I think successfully, that the political relations existing between the United States and the Philippine Islands are such as I have outlined. I do not care to repeat that argument to-night. I start in to-night where I left off then. The Philippine Islands do not of right belong to us, and we can not appropriate them as our own without an act of supreme injustice and bad faith. I want our great Nation to keep faith with those people, and the purpose of my amendment is to give a renewed assurance of our national purpose and to forestall any future contrary construction of this legislation. I regard this legislation as full of peril to Philippine independence, but I am anxious for a declaration that it is not so intended. I want some assurance upon which the friends of liberty and the defenders of national good faith may lay their hands in future.

Mr. President, all along we have proceeded upon the theory that our occupation of and jurisdiction over the islands was temporary, and not permanent. That was solemnly declared to be our policy in a resolution adopted by the Senate about the time the Paris treaty was ratified, and that declaration has been many times repeated in high official quarters and by the great leaders of all parties. We are firmly committed by every consideration that should influence an honorable and enlightened nation to the policy of conferring governmental autonomy upon and granting national independence to the people of the Philippine Islands.

Mr. President, who is demanding this legislation? For whose benefit, for whose advantage, is it to be written into our statute books? We have heard some grandiloquent expressions as to the duty of the United States to the Philippine people. The Senator from Rhode Island described them as the wards of the Nation, as people we should care for with a delicate sense of justice. Very well; so be it. Are they asking for this legislation? No. On the contrary, they protest against it. The Philippine legislature, composed of educated and enlightened men, representing the different provinces composing that government and familiar with the sentiments and aspirations of the native people, has formally and emphatically protested against this identical legislation.

The Resident Commissioners sent here under authority of law by the Filipino people to represent and speak for them, Mr. LEGARDA and Mr. OCAMPO, and who by virtue of their offices are entitled to seats on the floor of the House of Representatives, that they may there voice the opinion and judgment of their constituency, have each addressed the House in earnest and eloquent protest against the very proposition embodied in the pending measure. These are intelligent men, men holding high positions in the social, industrial, and political life of the Philippine Islands, and are in every way thoroughly representative.

Mr. LEGARDA was for some time one of the commissioners appointed by the President to aid in administering the central government of the islands. I had the pleasure of meeting him more than once during a visit I made to Manila two years ago, and I had it from his official associates, including the governor-general, that he was a man of the highest repute, clear-headed, intelligent, patriotic, representative, and worthy in every way of the greatest confidence. Mr. OCAMPO is his peer in all respects. Is it to be supposed, Mr. President, that these men, and the men who constitute the legislative body of the insular government, are not cognizant of the wishes and the sentiment of their people, or that they have not a clear conception of what is best promotive of their welfare?

Mr. President, a few days ago I put into the RECORD, without reading, an interview with Commissioner OCAMPO. It is brief,

and I am going to read it now, and I ask you to remember that it is substantially a repetition of the speech he made on the floor of the House. I invite the attention of Senators to it. I know it is authentic:

In reply to a question about a statement that appeared Tuesday morning in the Washington Post purporting to be a protest against free trade between this country and the Philippines from some Filipinos residing in Boston, Mr. OCAMPO, one of the Resident Commissioners from the Philippine Islands, said:

"When I spoke in the House last month, discussing the proposed free-trade relations between this country and the Philippines as contained in the Payne bill, I clearly stated that the establishment of such relations would inevitably hinder the political aspirations of the Filipinos; in other words, their constant and profound desire of being an independent country would be imperiled by such commercial ties.

"The Philippine assembly, the true representative of popular sentiment, has, in conjunction with the upper house, which is composed largely of Americans, expressed itself before this in opposition to free trade, and since the passage of the bill by the House of Representatives the feeling against it has grown more intense, for the reasons stated above, apart from the economic view point of the matter, which also is in no way encouraging, because it necessarily will embarrass the Philippine government financially.

"This free-trade proposition is a case of life and death with us. The ambition of the Filipinos to live an independent life is one which is undeniable and persistent, and any measure tending to oppose it would only stir the people of the islands and operate to prevent the development of a better feeling between Americans and Filipinos.

"The Filipinos who signed the protest have done nothing more than to give expression to a feeling universal in the islands against free trade for the consequence it would bring to the islands in the long run.

"I hope that no one will think that in expressing the aspiration of the Philippine people for ultimate reasonably prompt and absolute independence, I am lacking in or that they have ceased to feel profound gratitude for the opportunity that the American Republic gave us to be rid of Spain. Surely in the land of Washington, Jefferson, and Adams it can be permitted us to express the wish that we may be allowed to govern ourselves. It ought to be understood that in the centuries of protest against the rule of Spain we were not merely trying to throw off one foreign yoke to go under another.

"Providence in its wisdom made us a different race. Our problems are not those of Europe or America, and we can not approach their consideration with the same mind. What is best for Europe or America is not necessarily best for Asia, and Asiatic problems ought better be left to the people of that part of the world for solution. But one idea we do have in common, and that is a desire to be permitted to govern ourselves. This thought is stronger with us than the desire for more economic gain, and, while we would like the greatest possible commercial prosperity, we are willing to defer it rather than forever lose our hope of independence by an artificially rapid development through American corporations. I concur in the protest of the Filipinos who reside in Boston."

Mr. BRANDEGEE. Mr. President——

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

Mr. STONE. Certainly.

Mr. BRANDEGEE. I should like to inquire of the Senator from Missouri if the Philippine legislative assembly is opposed to this proposition of free trade between the Philippine Islands and the United States, and if the Delegates of the Philippine nation in this Congress are opposed to it; whether the Senator is in a position to advise us what portion of the Philippine people are in favor of it and are advocating it?

Mr. STONE. Mr. President, I can not answer that. I do not know. I have no personal information as to that. I only know that their representatives at home and their representatives here say they are opposed to it. I do know one thing, however. I think I can say I know one thing with certainty—that the native people of the islands are to-day, as they have been from the start, unanimously and to a man in favor of severing political relations with the United States and of establishing and conducting an independent government of their own.

When I was in the Philippines I visited many of the islands inhabited by the most intelligent and progressive of the population, representing the dominant forces of the islands, and I heard but one voice upon this subject, and that was for independence. That is the one supreme cry which goes up from the hearts and falls from the lips of practically every man, woman, and child born in the islands.

Mr. GALLINGER. Mr. President——

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

Mr. STONE. Certainly.

Mr. GALLINGER. I will ask the Senator if from his observation in the Philippine Islands and his association with the Filipinos he believes that they are now capable of self-government?

Mr. STONE. Mr. President, that question was asked me once before on the floor, and I answered as I do now, that I believe the Philippine people are as well or better qualified to maintain and conduct an orderly government as the people of Cuba, and as well qualified to do that as the people of the Latin States south of the Rio Grande. And in saying this I speak in no disparagement of those I use for comparison.

Mr. GALLINGER. I will say, if the Senator will permit me, that I asked the question in entire good faith, knowing the Senator had been in the islands and had come in contact with the intelligent portion, at least, of the people. I wanted his opinion as a matter of information. I did not ask the question for any other purpose.

Mr. BACON. Will the Senator permit me to add to what he has said, that Admiral Dewey once, in an official communication, bore testimony to the same effect in a comparison between those same two peoples, and in the debates which we had in the Senate ten years ago—I can not lay my hand on it, but I can if it is desired—that was quoted from Admiral Dewey in certainly one speech, and probably more than one, in which he said he believed that they were more capable than the people of Cuba? And he said that after having had the opportunity of familiar acquaintance with each of the people.

Mr. STONE. Mr. President, the Filipinos are a Christian people, and have been for centuries. They are not heathens or pagans. To be sure, there are such in the islands, and we have had and still have such in this country—wild, uncivilized bands, who rove our plains and burn, murder, and commit all kinds of depredations—but in the islands there is a large population of earnest, faithful, patriotic, intelligent, Christian people.

Their pathway has been a thorny one. They passed through centuries under the shadow of a relentless despotism, and, pity it is, they have not even yet escaped political bondage. Undoubtedly since our connection with them their condition has been improved, but still they are denied the opportunity of self-assertion, and still we keep the old stigma of incompetency upon them, and still suppress their longing aspiration to stand alone.

Why, sir, among the Filipinos there are some of the most scholarly men in the world—scientists who have achieved renown; lawyers who would rank in any country with the best; trained men in the science of surgery and in the art of medicine; educators, historians, poets, and musicians of the highest type. And then there are men engaged, and successfully engaged, in conducting large commercial and financial enterprises. The chief justice, for example, who presides over the supreme court of the Philippine Islands, is a man who, in the wide range of his learning and in the stately dignity of his character, would adorn the Supreme Bench of the United States. No man could stand in his presence for an hour without being impressed with the fact that he is a great lawyer and a great man. And what I am saying of him was in substance said to me of him by the governor-general of the islands and by his American associates on the bench. There are other native judges who sit with him in the administration of justice in that supreme tribunal who are also men of great learning and of the highest character.

The majority of the nisi prius judges, or judges of the first instance, as they are called, who go through the provinces to hold courts and administer justice are Filipinos, native born. The attorney-general, a young lawyer of exceptional ability and promise, is also native and to the manor born. The administration of the central government is also shared in in a most responsible way by natives, and the municipal and provincial governments are almost wholly in the hands of the natives. The officials who administer the municipal and provincial governments are, for the most part, elected by the people, and I was told by our American officials—by such men as Governor Smith and Mr. Forbes, the present acting-governor, and by others, all men of high character, and officials who are devoting themselves with most commendable zeal to the discharge of their arduous duties—that these local governments were administered with rare integrity and admirable ability.

The constabulary, which constitutes perhaps the larger part of the military force now operating in the islands, is a native organization. No man who ever saw these native soldiers—soldiers wearing our uniform—in the camp, on the parade, or in any line of duty, could doubt that they constituted a well-disciplined and effective military organization, or doubt that they would bear themselves with credit under the most trying circumstances that might test the souls of men.

Mr. President, to tell me that such men do not know what they want or do not know what is best for themselves, is to assert what is so utterly unreasonable as to arouse in me a spirit of indignation, and I can scarcely speak of it with any degree of patience. These men do not want this legislation. They see danger in it to their hopes, and they think it will be hurtful, not helpful, to their material interests. But Senators here pretend to know better than these people know themselves what is good for them, and, with much affectation of deep solicitude for their welfare, this Senate is proceeding to extort from them an unwilling sense of gratitude by the compelling force

of our own statutory enactments. Mr. President, this is colonialism pure and simple, and of the worst type. It is a most shocking example of governmental paternalism. It is a shameful instance of despotic power despotically used by the strong against the weak.

Mr. President, what are we going to do with these islands? What do our friends upon the other side want to do with them? What is the purpose? Do you now mean to hold them indefinitely? Do you mean to assert and maintain absolute and unlimited sovereignty over them? If so, then, in the name of right and justice and in the name of common decency, have the courage to say so and put an end to the patient and hopeful waiting of these people. This terrible business has in it all the elements of a great tragedy. For heaven's sake, let there be an end to it in one form or another. Mr. President, we have a great national history. If I should be asked to say which one among all the glorious chapters of that history was the most splendid, I would not know how to answer.

But this I can say—that after striking the manacles from the hands of this people, after lifting them out of the darkness of a long bondage into the light of liberty, after devoting millions of money and years of patient effort to aid them and to qualify them for the arduous and difficult task of administering an orderly government, if we should now go, as we ought to go, a step further and negotiate such international agreements as would neutralize and safeguard the islands, and then give quick answer to the prayer these unfortunate people have been breathing through the centuries for liberty and independence, we would write a chapter in our history as bright and shining as could be found on the pages which record the life and deeds of any nation which has ever risen or fallen since the morning stars first sang together.

And, sir, what an impetus an act like that would give to the better thought and higher aspirations and to the loftier and nobler yearnings of mankind throughout the world. But if, on the other hand, we are to be governed by lower considerations—considerations of trade advantage and selfish pride of power; if we are to hold the Philippines in some vain hope of making them a base from which to exploit the Orient for our enrichment—then we will lower our standard, debase our old and high ideals, and descend to the level of the despoiling nations of the world. Ah, Mr. President, that would be pitiful indeed!

Mr. President, pass this pending legislation and we will, I fear, follow it, Congress after Congress, with other legislation of like kind, ever expanding in its scope. We will go on along the same line of advance. If we take this long stride now without any check upon it or declaration of purpose regarding it, it will be a sorry day for us and a sad one for the Filipinos. With this kind of legislation you will encourage, aye, invite, great investments of American capital in Philippine enterprises. Some of the islands are covered with magnificent forests, among the finest in the world. The mineral resources of the islands have not been amply developed, but sufficiently so to demonstrate that they are extensive and opulent. The lands of the islands are rich and fertile, and their agricultural possibilities are enormous. Let American capital once begin, on a large scale, to exploit and utilize these natural sources of wealth, to build railroads, and to invest in all kinds of industrial enterprise, and I fear we can bid farewell to all hope of Philippine independence.

Mr. President, we know how such things go. The history of the world shows how they go, and they will go in the Philippine Islands as elsewhere. Conscience will be dulled by the passion of power and gain. Investors, with millions at stake, will cry out against every suggestion of Philippine independence. They will denounce it as an act of injustice, endangering their possessions, and as an act of national folly. They will say to Congress, "You invited us to make these investments; you opened the door to us, we entered, and here we are. Here is what we have, and here is what we have done, and do you now propose to pull down the flag and leave the islands and us and all we have to the protection of the natives?" We would find all these powerful interests standing in the way of any future attempt on our part to keep faith with the native sons of the archipelago. For myself, I want to sever our existing relations with the islands. I want to do that as much in our own interest as in that of the Filipinos; I want to do it as much for the sake of our national honor as for the happiness of those who live in those far-away islands of the Orient.

Mr. President, I am opposed to this measure. But if it is to pass, as I have no doubt it will pass, I offer the pending amendment, so that we may say to the world and to all men, "Take notice; we do not intend to hold these islands; we expect to give them up in fifteen years." Do that and the sky will brighten with hope and our way be clear. Mr. President, fifteen years from now we will have had possession of the Philippines for more than a quarter of a century. That period of time substantially covers the life of a generation. Is that not long enough to teach these people what we profitably can, and long enough to hold them in unwilling subjection? Senators, let us give back these islands to the people to whom they belong, and let them, in God's good providence, work out their own weal and destiny.

CONDITIONS IN THE PHILIPPINES—A COMMON LANGUAGE—EDUCATION, ETC.

Mr. NEWLANDS. Mr. President, the Senator from New Hampshire [Mr. GALLINGER] inquired of the Senator from Missouri [Mr. STONE] whether he thought these people were capable of self-government. I wish to add but one observation to the observations made by the Senator from Missouri, and that is, that whilst the intelligence of many of the Filipinos is of a very high order, and whilst the local government, insular, provincial, and municipal, is largely under the direction of native Filipinos, yet there is one difficulty regarding self-government that is perfectly apparent. The Senator from Missouri stated that they were as competent for self-government as are the people of Cuba or the people of Central or South America; but in those countries the people have a common language, whilst in the Philippine Islands a common language does not exist. The two leading races there are the Tagalogs and the Visayans, and they comprise more than one-half of the entire population of the islands. I believe that they can not understand each other's language.

It is claimed that there are numerous other races and tribes, each of which has its own language and dialect. The effort of the Philippine Commission is to give these people a common language. Their hatred of Spain is so great that they are unwilling to acquire the Spanish language, while they are eager to acquire the English language. I was struck when in the Philippines with the fact of the absence of a common language. At a celebration in one of the islands, given in honor of Mr. Taft, there was a procession and a banquet and a large gathering in the open, which Mr. Taft addressed, his speech being interpreted into Spanish, sentence by sentence, by a very apt interpreter, Mr. Ferguson. It was a speech of rare power and dignity. I observed that the people did not respond to the sentiments which he uttered, and I called the attention of one of the prominent American officials there to the fact. I said: "It is impossible for me to understand why these people do not respond to the nobility of Mr. Taft's utterances." The reply was that the people in this large gathering understood neither English nor Spanish. That brought me to a realizing sense of the absolute necessity of a common language in the Philippine Islands.

Upon that point I wish to say briefly that there are about 2,000,000 children in the Philippine Islands. If those 2,000,000 children were taken into the schools in which English is taught by American teachers and by Filipino teachers to whom English has been taught by American teachers, these primary schools, these industrial schools, these manual-training schools, these agricultural schools, which the commission has established there with so much wisdom, bearing in view the fact that it is much more important that they should train the hands of the Filipino people at present than it is that they should train their heads, and that the best way of training their heads is through their hands, and that thus they will not only enlarge their intelligence, but bring them into habits of industry and thrift—if those 2,000,000 children could attend these schools and receive thorough training, they would within ten years constitute a large part of the adult population of the islands, and they could then have a common language. But as it is, there are only 500,000 of these children in the schools, and the revenue of the islands is so scanty that if you were to employ the entire revenue of $17,000,000 annually you could hardly meet the expense of educating 2,000,000 children.

There is the difficulty; there is the danger—that we shall simply give these children a smattering of English, and that then, when they return to their families, their old language will reassert itself, just as is the case with the Indians, who attend the schools which we have furnished, and who, when they get out, return to their tribal life.

I am, therefore, in entire sympathy with Mr. Taft in his desire to see those people properly trained and educated in a common language. I think that it would be economical to do this quickly, to take ten years in accomplishing it, rather than to take one hundred years. If we take one hundred years, we shall probably never accomplish it. If we take ten years and train all these children at one period of time in the English language and give them a newspaper which can circulate among them and in their families, we shall find that in ten years English will be the predominant language in those islands and

that they will have a common language through which they can communicate their ideas to each other and through which they can obtain some conception of the great political and economic and governmental questions that are addressed to them.

THE PHILIPPINES NOT A SOURCE OF REVENUE, BUT ALWAYS A BURDEN.

I wish to say also regarding these islands that I do not share with the Senator from Missouri the opinion that they can be made at any time the source of opulence. The forests, to which the Senator refers, are beautiful to the eye, but they are mainly forests of soft wood. Here and there you will find a magnificent tree of hard wood of great value; but I was told that the cost of taking out these occasional trees here and there in the forest was very great. The islands are mountainous, and you can hardly cultivate a mountain side. The only level and cultivable land is the land in the river valleys, which is very limited, and the land on the coast formed by the wash from the mountains. The area of cultivation is exceedingly limited.

In addition to that, all nature seems to be hostile to the development of the Philippine Islands. They have a constant recurrence of cholera; they have a constant recurrence of surra and rinderpest among their cattle; so that their draft animals and animals with which they cultivate their farms, the buffalo, and so forth, are destroyed year after year.

I do not believe that those islands can be made a source of great wealth; and that being the fact, I prefer to present it in all its baldness to the American people, for I fear that if those islands are represented to the American people as the source of great future wealth, the greed of many of us will prevent us from letting them go. I believe the very fact that those islands have cost us this great expense of $500,000,000 or $600,000,000, including the war, that they are to-day costing us one-fourth of the military and naval expense of the Nation; and that they will cost us a large expenditure in the future in fortifying them with a view of holding them, not only against a foreign foe, but against domestic violence has had much to do with the present sentiment which exists throughout the country in favor of letting the islands go. The American people are becoming convinced that there was no glory in their conquest and that there is no profit in their occupation; and I believe that they will have to be convinced of both before they will let them go.

THE CASE SUMMED UP.

The objection I have to this legislation—and I will simply say a word upon that, for I have already stated fully my views—is that we are proposing to give $10,000,000 annually to the planting interests, with a view to stimulating the production there, so that those islands, which are now poverty stricken, may become prosperous. I would rather, in the discharge of the great benevolent trust which we have assumed to those islands, appropriate a tithe of that money annually to instructing those people, to aid them in getting central sugar factories which can develop sugar production there in the perfection which the Senator from Rhode Island thinks will at some time be attained.

I would rather appropriate money to train them in agricultural methods, in modern methods, to train them industrially, to train their hands and their heads, and to train them in a common language—I would rather do that than give the planters this large bounty, which in fifteen years will amount to $150,000,000 and in twenty years to $200,000,000.

I quite join with the Senator from Missouri in the desire that we should make this declaration of our purpose now, for if we once determine to let them go fifteen years hence, we will then shape our course with a view to that result. If we were to attempt to determine now the method of our withdrawal, we would all differ as to details; but we can determine upon one thing, and that is that we will withdraw in fifteen years, and then we can leave the elaboration of details to the future, and we will have plenty of time to accomplish our work of giving these people a common language and of training them in industrial and manual pursuits.

The prospect at best is not the most roseate. The tropical islands throughout the world have been beaten by the Temperate Zone in the products which they used to monopolize. Disease is against them; the climate, tending to ease, apathy, and inertia, is against them. They have not that hard contest with nature itself, so far as food and clothing and shelter are concerned, that impels to work; and so I am not very hopeful that these people will develop a high order of self-government, but they can maintain some form of autonomy there. They may have wars among themselves; they may have race wars; they may finally fall under the control of some dictator, some man of great power and ability, but if they are to be killed, I would rather they should kill each other than that we should kill them.

I believe that they must go through the process of evolution that every country composed of diverse races must go through, resulting, perhaps, in the domination of a single race, and perhaps in the dominance of a single man.

But I do feel assured that in the future those islands will be the source of great peril to the United States. They are 7,000 miles away from our basis of operations. If we should have internal difficulties there, the expense of conducting the defense of our power would be enormous. Besides that, those islands push us into all the activities and all the jealousies and all the contentions of the Orient; and with these two countries, Japan and China, just rising from their sleep—Japan already a great military nation, China bound at some time to be a great military nation, I do not think that we can escape war with those countries if we maintain our intrusion in the Orient. So I would prepare to withdraw at a time when we can withdraw with honor, rather than be compelled, perhaps, to withdraw in the future as the result of a useless and costly war maintained so far from our base of supply.

The VICE-PRESIDENT. The question is on agreeing to the amendment of the Senator from Missouri [Mr. STONE] to the amendment.

Mr. STONE. On that I ask for the yeas and nays.

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

Mr. FLINT (when his name was called). I am paired with the senior Senator from Texas [Mr. CULBERSON], who is absent this evening. I transfer that pair to the junior Senator from Nebraska [Mr. BROWN], and vote. I vote "nay."

Mr. FRAZIER (when his name was called). I am paired with the junior Senator from Nevada [Mr. NIXON]. I transfer that pair to the senior Senator from Texas [Mr. CULBERSON], and vote. I vote "yea."

Mr. McLAURIN (when his name was called). I am paired with the junior Senator from Michigan [Mr. SMITH]. If he were present, I should vote "yea."

Mr. RAYNER (when his name was called). I am paired with the junior Senator from Kentucky [Mr. BRADLEY]. If he were present, I should vote "yea."

The roll call was concluded.

Mr. CRAWFORD. I desire to have the RECORD show that my colleague [Mr. GAMBLE] is necessarily absent. He is paired with the junior Senator from Indiana [Mr. SHIVELY]. If present, my colleague would vote "nay."

Mr. DANIEL. I am paired with the Senator from Maine [Mr. FRYE]. If he were present, I should vote "yea."

Mr. BANKHEAD. I am paired with the senior Senator from Illinois [Mr. CULLOM]. If he were present, I should vote "yea."

Mr. FOSTER (after having voted in the affirmative). I inquire if the senior Senator from North Dakota [Mr. McCUMBER] has voted?

The VICE-PRESIDENT. The Chair is informed that he has not voted.

Mr. FOSTER. Then I withdraw my vote, as I have a pair with that Senator.

Mr. SMITH of South Carolina (after having voted in the affirmative). I have a general pair with the Senator from Washington [Mr. JONES]. As he is not present, I withdraw my vote.

The result was announced—yeas 18, nays 44, as follows:

YEAS—18.

Bacon	Frazier	Money	Stone
Bailey	Gore	Newlands	Taliaferro
Clay	Hughes	Overman	Tillman
Davis	Johnston, Ala.	Paynter	
Fletcher	McEnery	Simmons	

NAYS—44.

Aldrich	Chamberlain	Flint	Page
Beveridge	Clapp	Gallinger	Perkins
Brandegee	Crane	Guggenheim	Piles
Briggs	Crawford	Heyburn	Root
Bristow	Depew	Johnson, N. Dak.	Scott
Bulkeley	Dick	Kean	Smoot
Burkett	Dillingham	La Follette	Stephenson
Burnham	Dixon	Lodge	Sutherland
Burrows	Dolliver	Nelson	Warner
Burton	du Pont	Nixon	Warren
Carter	Elkins	Oliver	Wetmore

NOT VOTING—29.

Bankhead	Cullom	Jones	Shively
Borah	Cummins	McCumber	Smith, Md.
Bourne	Curtis	McLaurin	Smith, Mich.
Bradley	Daniel	Martin	Smith, S. C.
Brown	Foster	Owen	Taylor
Clark, Wyo.	Frye	Penrose	
Clarke, Ark.	Gamble	Rayner	
Culberson	Hale	Richardson	

So Mr. STONE's amendment to the amendment of the committee was rejected.

Mr. BULKELEY. I now desire to move, if it is in order and proper to do so, that the paragraph now being considered—471d I think it is entitled—be referred to the Committee on the Philippines.

I do this for the reason that I do not desire, under any circumstances, that legislation shall not be enacted at this session of Congress in regard to the Philippine Islands. But from the examinations I have been able to make of the records, all measures heretofore considered by the Congress—revenue measures as well as others—for the Philippine Islands have been considered and acted upon by the committee of this body created for that purpose. It seems to me this is not the place, as I said this morning, for legislation with respect to these islands, in the tariff bill we are preparing for ourselves.

We have already pending before the Philippine Committee of this body an act to raise revenue for the Philippine Islands, and for other purposes. Many of the provisions of this act now being considered by this committee are dependent in a large measure on the legislation that is proposed in the bill pending before this body; and it seems much more in order, to my mind, that the two should be considered by the same committee, which can give the thought that is necessary, in my judgment, to a matter that is so important to those possessions which we control and for the government of which the Congress of the United States at this time is responsible.

I therefore make the motion that the paragraph we are now considering be referred to the Committee on the Philippine Islands.

Mr. ALDRICH. We are considering a tariff bill for the United States and not for the Philippine Islands, I would suggest.

The VICE-PRESIDENT. The Senator from Connecticut moves to commit the substitute for 471d to the Committee on the Philippines.

Mr. DANIEL. I should like to ask the Senator from Rhode Island if there is involved in this amendment any question of favored nations? Does picking out certain articles to be permitted to come to us free in this fashion from an alien, which is no part of this country, though it is said to belong to it, involve us in any controversy about favored nations?

I presume the answer will be that the Philippine Islands are not a nation and not a part of this Nation. They are something, somewhere. Their status is unanalyzable. It is also nondescript and absolutely indescribable, and why a wave of tariff or free trade in this momentous and grave fashion should be involved in a tariff bill for the United States is certainly only a technical statement without any basic facts to support it.

I therefore think that the motion by the Senator from Connecticut is a very wise and apt motion. We have a special committee to deal with the Philippine Islands and its peculiarities—like the subject. There is no geography in this question. There is no jurisprudence to this question. It has confounded the courts and the legislatures, and is now beginning to confound and override our sedate and careful tariff provisions about our own country. It is such a close and material arrangement proposed about another country and another people that we can not fitly embrace it, although technicality will support the proposition, perhaps. Here is a proposition for the introduction into this country of millions upon millions of free trade in certain subjects. It is confusing; it is unprecedented; it is totally off—uniquely by itself—and of all things that should go to the Philippine Committee of this body, it seems to me to be the chief.

The VICE-PRESIDENT. The question is on agreeing to the motion of the Senator from Connecticut.

Mr. BULKELEY. On that I ask for the yeas and nays.

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

Mr. BANKHEAD (when his name was called). I announce my pair with the senior Senator from Illinois [Mr. CULLOM] for the balance of the evening.

Mr. FLINT (when his name was called). I am paired with the senior Senator from Texas [Mr. CULBERSON]. He is absent this evening. I transfer my pair to the junior Senator from Nebraska [Mr. BROWN], and will vote. I vote "nay."

Mr. PILES (when the name of Mr. JONES was called). My colleague has been called away from the Chamber this evening. He is paired with the junior Senator from South Carolina [Mr. SMITH].

Mr. McLAURIN (when his name was called). I again announce my pair with the junior Senator from Michigan [Mr. SMITH]. If he were present, I would vote "yea."

Mr. RAYNER (when his name was called). I again announce my pair with the junior Senator from Kentucky [Mr. BRADLEY].

Mr. SMITH of South Carolina (when his name was called). I again announce my pair with the junior Senator from Washington [Mr. JONES]. If he were present, I should vote "yea."

Mr. TILLMAN (when his name was called). Has the Senator from Vermont [Mr. DILLINGHAM] voted?

The VICE-PRESIDENT. He has not.

Mr. TILLMAN. I have a general pair with that Senator, and therefore withhold my vote.

The roll call was concluded.

Mr. CLARK of Wyoming (after having voted in the negative). I desire to inquire if the senior Senator from Missouri [Mr. STONE] has voted. I do not see him in the Chamber.

The VICE-PRESIDENT. He has not.

Mr. CLARK of Wyoming. I withdraw my vote.

Mr. FLETCHER. I wish to announce that my colleague is paired with the Senator from West Virginia [Mr. SCOTT].

Mr. CLARK of Wyoming. I transfer my pair with the Senator from Missouri [Mr. STONE] to the Senator from Kansas [Mr. CURTIS], and will allow my vote to stand.

Mr. DANIEL. I am paired with the Senator from Maine [Mr. FRYE]. If he were present, I should vote "yea."

Mr. FOSTER (after having voted in the affirmative). Observing that the senior Senator from North Dakota [Mr. McCUMBER], with whom I am paired, has not voted, I withdraw my vote.

The result was announced—yeas 21, nays 40, as follows:

YEAS—21.

Bacon	Clapp	Gore	Newlands
Bailey	Clay	Hughes	Overman
Brandegee	Davis	Johnston, Ala.	Paynter
Bristow	Dick	La Follette	
Bulkeley	Fletcher	McEnery	
Chamberlain	Frazier	Martin	

NAYS—40.

Aldrich	Crane	Heyburn	Perkins
Beveridge	Crawford	Johnson, N. Dak.	Piles
Borah	Depew	Kean	Root
Briggs	Dixon	Lodge	Scott
Burkett	Dolliver	Money	Smoot
Burnham	du Pont	Nelson	Stephenson
Burrows	Elkins	Nixon	Sutherland
Burton	Flint	Oliver	Warner
Carter	Gallinger	Page	Warren
Clark, Wyo.	Guggenheim	Penrose	Wetmore

NOT VOTING—30.

Bankhead	Curtis	McCumber	Smith, Mich.
Bourne	Daniel	McLaurin	Smith, S. C.
Bradley	Dillingham	Owen	Stone
Brown	Foster	Rayner	Taliaferro
Clarke, Ark.	Frye	Richardson	Taylor
Culberson	Gamble	Shively	Tillman
Cullom	Hale	Simmons	
Cummins	Jones	Smith, Md.	

So Mr. BULKELEY's motion was rejected.

The VICE-PRESIDENT. The question is on agreeing to the substitute. Without objection, the substitute is agreed to.

Mr. BULKELEY. Mr. President——

The VICE-PRESIDENT. No objection is heard.

Mr. BULKELEY. I should be glad to speak on that question.

The VICE-PRESIDENT. Does the Senator from Connecticut desire to speak on the question of agreeing to the substitute?

Mr. BULKELEY. I have no objection to an agreement to the substitute.

The VICE-PRESIDENT. Without objection, it is agreed to.

Mr. LA FOLLETTE. I wish to offer an amendment before the substitute is voted upon.

The VICE-PRESIDENT. Before the substitute is agreed upon the Senator from Wisconsin desires to offer an amendment.

Mr. BULKELEY. Do I understand the motion now is to substitute this for the paragraph of the bill?

The VICE-PRESIDENT. That has already been done. The motion now is to agree to the substitute.

Mr. BULKELEY. I wish to speak on that question.

The VICE-PRESIDENT. The Senator from Wisconsin desires first to offer an amendment to the substitute. Will the Senator from Wisconsin submit his amendment?

Mr. LA FOLLETTE. In line 2, page 2, strike out the words "one hundred and fifty" and insert "seventy-five."

The VICE-PRESIDENT. The Secretary will state the amendment offered by the Senator from Wisconsin.

The SECRETARY. On page 2 of the printed amendment, in line 2, strike out the words "one hundred and fifty" and insert "seventy-five," so that if amended it will read:

And cigars in excess of 75,000,000 cigars.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

Mr. LA FOLLETTE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin desire to discuss it?

Mr. LA FOLLETTE. Just a word.

Mr. President, the proposition to admit 150,000,000 cigars free of duty means displacing labor in the cigar factories of this country to the number of 2,500 men. There are to-day 12,000 unemployed cigar makers in the United States. I do not believe it is wise or just that that army of unemployed men shall be increased by 2,500 men, whose labor will be taken from them if 150,000,000 cigars are admitted into this country from the Philippines free of duty.

I have offered this amendment as a compromise, hoping that it may be adopted by the Senate. I send to the desk and ask to have read a communication from the Cigar Makers' International Union of America.

The VICE-PRESIDENT. Without objection, the Secretary will read as requested.

The Secretary read as follows:

HEADQUARTERS CIGAR MAKERS'
INTERNATIONAL UNION OF AMERICA,
Chicago, Ill.

DEAR SIR: In behalf of the Cigar Makers' International Union, an organization composed of 47,000 members, we earnestly protest against free trade in cigars with the Philippine Islands, even to a limited extent, which at this time would be extremely disastrous to the trade, which is already badly demoralized by the continued depression in trade. The government statistics show that there has been no material improvement in the manufacture of cigars since the depression started in October, 1907.

These reliable government statistics are reenforced and made doubly sure, as to the condition of trade, by the amounts we expend for out-of-work benefits.

During the year 1908 we expended $101,483.50, while in 1903, a year normal in trade conditions, we only expended $15,558, and in 1907 we expended $19,497.50 for out-of-work benefit purposes.

The condition of trade and the cigar industry is in a most precarious condition and at a point where it can not, with safety, be charged with any additional burdens.

I hold and assert, without fear of successful contradiction, that the importation of cigars from the Philippine Islands free of duty, even in limited numbers, will have a disastrous effect upon the already overwrought and seriously menaced trade.

When the Porto Rican Islands were annexed and their products admitted free it was claimed that, owing to the limited number of cigar makers and the alleged inferior quality of the tobacco, we here would not experience any injurious effects. The result has been that American enterprise and capital at once commenced to exploit the cheap labor and cheaply grown tobacco in the islands to an extent that the importations of cigars from Porto Rico has now become a serious menace to the wages and well-being of the cigar makers and manufacturers of the mainland.

The American Tobacco Company, with its unlimited capital and resources, immediately seized the opportunity to avail itself of the cheap labor of the Porto Ricans and at once commenced the manufacture of cigars in the Porto Rican Islands, with the consequent decrease of the number of American cigar makers here.

Our advices indicate that the Porto Ricans are now, generally speaking, fully employed, while, as stated in the foregoing, thousands of our members and thousands of American cigar makers are walking the streets in idleness. Including union and nonunion, there are fully 12,000 cigar makers now idle in the United States. The same conditions concerning cheap labor, cost of living, light, clothing, apply with even greater force in the Philippine Islands.

To admit 150,000,000 cigars free of duty from the Philippine Islands will come in direct competition with the American product and have a disastrous effect in the nature of cutting prices, far more so than the operation of any sweat shops or other hostile influences in our own country.

We are not deluded by the assertion that only a limited number of cigars are now manufactured in the Philippine Islands and that all of the product would not in any event reach our shores. We know from experience the rapidity with which the industry grew in the Porto Rican Islands, and boldly assert that, give the American Tobacco Company, the trust, the opportunity to exploit the cheap labor of the Philippine Islands, and in a very short time they will double, treble, or produce any amount to suit their purposes.

We know that under Spanish rule the cigar industry in the Philippine Islands developed to a very high degree, and assert that those capable of being pressed into the business of cigar making are still there, and if given an opportunity, such as proposed by the pending legislation, they will come in direct competition with the American cigar makers and crowd just that many more into the now dangerously large army of unemployed, who are bordering on starvation and vainly asking for an opportunity to earn a livelihood at their chosen occupation.

In the name of humanity, in the name of the best interests and welfare of our own people, as loyal American citizens, we protest against free trade in cigars with the Philippine Islands.

A bulletin of the Department of Labor shows that there were employed, all told, in the cigar industry of the Philippine Islands about 20,000 people, at an average of $10.21 per month. The rate of wages for cigar makers, as near as I can learn, is 37½ cents per day, while the government census of 1900 shows that the average wage of the workers of this country is about $400 per year, or about $1.36 per day.

A good cigar can be bought in Manila for 1 cent apiece, or from $5 to $10 per thousand. The home-produced cigar sells for 5 cents, 10 cents, 15 cents apiece, or from $20 to $60 per thousand, generally, and from that up for especially high grades.

Under the proposed legislation cigars could be laid down at San Francisco for from $8.50 to $13.50 per thousand.

We protest against being pitted against oriental labor in our struggle for existence. We hold that no amount of legislation on the part of the Congress of the United States can or ever will lift this people to our standard, and that the act proposed, and against which we respectfully protest, will have a tendency to and will drag us down nearer their level.

About one-half of the cigar factories in the Philippine Islands are said to be controlled by Chinese manufacturers, and with the number of Chinese now in the islands, will monopolize the cigar trade, as they did prior to the exclusion act in San Francisco.

Prior to the passage of the Chinese-exclusion act in 1882, the cigar factories of San Francisco employed about 40 American citizens and over 6,500 Chinamen.

The bill proposed means that the Chinese-exclusion act, so far as it relates to the cigar industry, will be nullified completely by establishing free trade.

Mr. Edward Rosenberg, an American citizen, while in Manila, in a letter dated August 1, 1903, says: "Considering the very small wages paid the Filipino workers, the poor and scanty food they necessarily live on, they are, next to the Chinese, the cheapest and best workers of the Orient. They live in light shacks, built of bamboo, and covered with leaves; cost of building from $30 to $70. The number of Chinese living on the island I estimate to be between 100,000 and 150,000."

We would like to know how a man living in a northern climate, who needs from seven to eight tons of coal per year and needs warm clothing and lives in a house for which he must pay a large rent, is going to compete on a free-trade basis with people living under such conditions.

If the Filipinos should ever cease to be subjects and become American citizens in every particular, with the right to organize for their own protection, with factory laws, similar to those prevailing in the States of Illinois, New York, Massachusetts, etc., for the protection of women and children against unscrupulous exploitation, then it will be the time to talk about the changing of the tariff.

Manila alone has 31 cigar and cigarette factories; also about 48 others run by Chinese, which, if they get free trade, will also become exporters; and in the event of free trade they can export to the United States enormous quantities of cigars.

At the hearing before the Committee on Ways and Means, January 27, 1905, Secretary Taft, in the testimony submitted, in speaking of the fears of the cigar makers, when a similar bill was under consideration, as to the effect of the proposed legislation, said: "There may be some justification for the apprehension of the cigar makers that this measure would injure them. I admit that a perfection-shaped cigar, which the cigar makers of this country receive $34 per thousand for making, is made in the Philippine Islands for $6 per thousand."

An act that will tend to build up the cigar industry of the Philippine Islands at the expense of a like industry and the citizens employed therein in our own country proper, is neither wise nor just legislation. Knowing that we are positively right in this matter, we, in self-defense, vigorously yet respectfully protest against its enactment.

Yours, very respectfully,

G. W. PERKINS,
International President.

Mr. ALDRICH. If the Senator from Wisconsin will yield to me for a moment, I should like to ask unanimous consent that the order of meeting be modified so that on and after to-morrow the Senate shall meet at 10 o'clock in the morning and remain in session until 7 in the evening, and that the night sessions, for the present anyhow, be dispensed with.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Rhode Island?

Mr. BRISTOW. Mr. President, I object to coming here at 10 o'clock in the morning and——

The VICE-PRESIDENT. The Senator from Kansas objects.

Mr. ALDRICH. Then I move that the order be changed in the manner I have indicated.

The VICE-PRESIDENT. The Senator from Rhode Island moves that the order heretofore made for the meeting of the Senate be changed after to-day so that the Senate shall meet at 10 o'clock in the morning and sit until 7 o'clock in the evening, the evening session to be dispensed with.

Mr. BRISTOW. Oh, I beg pardon; I thought the evening session was to be continued also. That is a different proposition. I withdraw my objection.

The VICE-PRESIDENT. The Senator from Kansas withdraws his objection. Is there objection? The Chair hears none, and the order is so modified. The Senator from Wisconsin will proceed.

Mr. LA FOLLETTE. I only desire to say that representatives from the International Cigars Makers' Union, despairing of being able to amend the bill so as to prevent the importation of 150,000,000 cigars, have asked me to offer the amendment in this form, and I hope that the Senate will adopt it. I ask for the yeas and nays on agreeing to the amendment.

The yeas and nays were ordered.

Mr. ALDRICH. I was not able to listen attentively to the statement made by the Cigar Makers' Union. The committee have considered this matter very slightly. I am not sure whether the statements made in the memorial correspond with the other facts that are before the committee. If the Senator from Wisconsin will allow this matter to go over until to-morrow, the Finance Committee have a meeting at half-past 9 in the morning and they will consider it. I am not sure but that the committee will be willing to accept the amendment of the Senator from Wisconsin.

Mr. LA FOLLETTE. Of course I am willing that it shall go over, as suggested by the Senator from Rhode Island.

The VICE-PRESIDENT. Is there objection to the matter going over until to-morrow with the amendment pending, the yeas and nays having been ordered? The Chair hears no objection.

Mr. BULKELEY. Does that carry the whole matter over?

The VICE-PRESIDENT. Simply the amendment. The Chair understands that the Senator from Rhode Island wishes that the question may be taken on agreeing to the paragraph as modified.

Mr. ALDRICH. No; that will go over until to-morrow, also. I understood the Senator from Connecticut to wish to move that the paragraph be rejected. That motion is not necessary, because the same question will come up on agreeing to the paragraph.

The VICE-PRESIDENT. The Senator from Connecticut opposes the motion to agree to the paragraph.

Mr. ALDRICH. Yes; that is it.

Mr. BULKELEY. It was my intention to move to strike out the entire paragraph, but there is an amendment now pending.

The VICE-PRESIDENT. If the motion to agree to the paragraph is negatived, that strikes it out. As soon as the amendment of the Senator from Wisconsin is disposed of, then the question will be on agreeing to the paragraph.

Mr. BULKELEY. I understand.

The VICE-PRESIDENT. The Chair understands that that motion the Senator from Connecticut desires to oppose.

Mr. BULKELEY. I desire to oppose that motion. If the amendment of the Senator from Wisconsin should be adopted, there are possibly some other degrees in the limitation which might change the position entirely of some Senators in the matter.

The VICE-PRESIDENT. Does the Senator from Connecticut desire to discuss the question now?

Mr. BULKELEY. Under those circumstances I should prefer to defer my remarks until the amendment of the Senator from Wisconsin has been acted upon, and possibly some other amendments of the same character.

The VICE-PRESIDENT. Has the Senator from Rhode Island something to suggest as to the order?

Mr. NELSON. I suggest to the Senator from Rhode Island that we adjourn.

Mr. ALDRICH. Oh, no; we will not adjourn. We will take up some other subject. If the Senator from Connecticut desires to go on in the morning rather than to-night, I will ask the Senate to take up some other subject.

Mr. BULKELEY. It was the suggestion of the Senator from Rhode Island that it should go over.

Mr. ALDRICH. The only suggestion I made was that the amendment of the Senator from Wisconsin should go over. The general subject I did not suggest should go over.

Mr. BULKELEY. The suggestion was that it might go over and that it might receive favorable consideration from the committee, I understand.

Mr. ALDRICH. Yes.

Mr. BULKELEY. There might be some suggestion in regard to reducing some of the other limitations, if the committee are disposed to consider them, that might change the view of the question.

Mr. ALDRICH. The committee have a meeting at half past 9 to-morrow morning, and the Senator can present his suggestions now.

Mr. BRANDEGEE. Will my colleague yield to me for a moment?

Mr. BULKELEY. Certainly.

Mr. BRANDEGEE. I propose to offer an amendment, on page 1, line 13, of the proposed substitute amendment, to strike out the words "three hundred thousand" and to insert the words "one hundred and fifty thousand." I offer that now as an amendment, and if the committee care to take it into consideration in the morning, very well.

Mr. ALDRICH. The Senator can not offer it; he can give notice of it.

Mr. BRANDEGEE. I give notice, then, that I will offer it.

Mr. FLETCHER. Mr. President, following that I will suggest that the committee might consider a further reduction as to the number of pounds of filler tobacco from 1,500,000. The suggestion has been made to reduce the number of cigars and the number of pounds of wrappers. I suggest a similar reduction as to fillers, and that that be considered also by the committee. Otherwise I shall feel inclined to press the motion I made this afternoon to strike out the entire proviso from the substitute.

Mr. FOSTER. While the committee is considering the reduction of the quantity of tobacco and cigars which shall be imported from the islands into this country free of duty, I suggest that it at the same time consider the reduction of the quantity of sugar which shall be imported into this country.

The VICE-PRESIDENT. Has the Senator from Rhode Island any suggestion to make as to the procedure?

Mr. ALDRICH. Yes; I offer——

Mr. LA FOLLETTE. Before the matter is passed over, I have been unable to hear on this side just what the suggestions were with respect to disposing of the entire paragraph.

The VICE-PRESIDENT. That it go over until to-morrow morning was the only suggestion, as the Committee on Finance is to meet at 9.30 and will consider the amendment offered by the Senator from Wisconsin.

Mr. LA FOLLETTE. Do I understand that, except as to the amendment, the entire paragraph is to be disposed of to-night?

Mr. ALDRICH. No.

The VICE-PRESIDENT. No; nothing further is to be done with the paragraph to-night.

Mr. ALDRICH. The Senator from Connecticut does not desire to speak until after the amendment has been considered, I understand.

Mr. BULKELEY. I thought it would be better, but I can go on to-night.

Mr. ALDRICH. I should prefer that the Senator would go on to-night, unless he prefers to wait until to-morrow.

Mr. DICK. Will the Senator permit me to have the attention of the chairman? Does the committee contemplate considering other features of the clause respecting tobacco and cigars?

Mr. ALDRICH. If any Senator desires to present any views on the subject there will certainly be no objection to considering them.

Mr. BRANDEGEE. In view of the statement of the Senator from Rhode Island, I will say, in relation to the wrapper and filler tobacco, without pretending to any expert knowledge on the subject, I am informed that it makes a difference of about 30 per cent in the weight of the leaf whether it comes in stemmed or unstemmed. So, if the bill should authorize the importation of 300,000 pounds of tobacco, and they should take the stems out of the tobacco over there, it would really, in effect, bring 400,000 pounds into this country. The stemming process and the profits to be derived therefrom in the way of wages of labor, it seems to me, might just as well be paid to the laborers in this country as to the Filipino laborers at 6 to 10 cents a day, or else the amount should be limited so that the extra hundred thousand pounds would not come in. I suggest that as one point for the committee to take under advisement.

Mr. BULKELEY. Mr. President, I intend to discuss this question from perhaps an entirely different standpoint from any Senator who has spoken up to this time. I am very firm in my belief that there are conditions that surround the tobacco and sugar industries in the Philippine Islands that will cause to the Filipinos themselves a great disappointment from the results that will be attained if this proposed legislation is enacted, and that while the experiment is pending will prove to the Filipinos that they themselves are responsible by their careless methods of production for their own condition; and for a series of years this legislation will be standing up as a menace to the tobacco growers and the cigar manufacturers of the United States.

But I should be, Mr. President, neglectful of my duty to a large class of my own constituents engaged in the tobacco-growing industry and to an equally large number engaged in the manufacture of cigars, if I permitted this bill to be enacted into a law without presenting on their behalf, and equally as well on behalf of the tobacco growers, cigar manufacturers, and wage-earners of other States and communities, my most earnest protest.

For nearly two hundred years after its settlement Connecticut was strictly an agricultural State, and in this pursuit its people were successful in conquering its sterile soil and providing for the maintenance and education of their families by the exercise of the same skill, ingenuity, and energy which they displayed in

the nineteenth century, when their agricultural industries had practically disappeared, overshadowed by the development of the fertile lands of the Western States, and turned the State into a busy hive of industrial workers, who, through the products of their ingenuity and skill, have made Connecticut known almost over the entire civilized world.

The culture of tobacco, to the growth of which the soil of the fertile valleys seems peculiarly adapted, was the only one of the agricultural pursuits that longer promised to keep its producers in the markets of the world and to contribute adequate returns for their labor, and to the development of this product the best thought, skill, and labor of our agricultural communities was given until Connecticut tobacco acquired for itself a prominent place in the markets of the country.

The Department of Agriculture this morning furnished me some statistics in regard to the acreage, production, and value of the tobacco crop in Connecticut. Without reading in detail, I will quote the last year, 1908, when there was an acreage of tobacco of 13,824 acres, producing an average per acre of 1,680 pounds, and a total production of 23,224,320 pounds, which brought an average price in the market of 17 cents. The total farm value of this product on December 1 was $3,948,134.

The average price at which the 1908 crop was sold on the farm was about 11.5 cents, the higher price quoted for December 1 being only temporary. The marked decrease in price for 1907 and 1908 over previous years is to be attributed to unfavorable growing season and to a decided falling off in the manufacture of cigars. The above figures do not take into account the production of cigar-wrapper tobacco under artificial shade. For the year 1908 something over 100 acres of tobacco were grown under artificial shade, and for 1909 this acreage will be increased by about 60 acres. The farm value of this wrapper tobacco is from 50 cents to $1 per pound.

The value of the tobacco manufactured in Connecticut in 1905, which was the last year on which we have official returns—there were 226 establishments, with a capital of $1,173,806; value of product, $2,349,710. In 1900 there were 1,960 farms; the total acreage was 133,013; improved acreage, 82,029; total value of tobacco farms, $10,196,800; and there were invested in implements and machinery $458,110; in live stock, $788,560; and the expenditure for labor was $514,710, and for fertilizers $428,170.

There was frequently spent, to my knowledge, in Connecticut on the tobacco lands of that State in a single year more for the fertilizers than the lands are valued themselves.

I am aware of the Republican platform of 1908 in regard to the Philippine Islands, and I will quote that platform, because I expect in my remarks to follow the line of that platform, taken in connection with other paragraphs of the same platform, with which it should properly be coupled. But in regard to the Philippine Islands "between the United States and the Philippines we believe in free interchange of products, with such limitations as to sugar and tobacco as will afford adequate protection to domestic industries." But I would couple with these all that runs through the spirit of the whole platform and the platform of the preceding Republican convention, which is substantially this. It is the preceding part in the platform of 1908 to the paragraph that I have just read:

> The aim and the purpose of the Republican policy being not only to preserve without excessive duties the security against foreign competition to which American manufacturers, farmers, and producers are entitled, but also to maintain the high standard of living of the wage-workers of this country, who are the most direct beneficiaries of the protective system.

The limitations provided for in these declarations, particularly the last one which I have read, are equally applicable to all the products of the islands as to any other country in the world; and, in fact, these paragraphs appear to me to have been so interpreted by the Ways and Means Committee of the House of Representatives and the Finance Committee of the Senate in their preparation of this bill, entitled, "To provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes."

The paragraph relating to the Philippine Islands provides limitations of two characters. First, it provides that rice, which is one of the large products of the islands, shall not come into the United States except upon the payment of a duty. Now, that is no particular concession to the Filipinos or any great inducement for the Filipinos to engage in the rice industry. We all know that there is produced in these islands but about one-half of the rice which they consume, and that they have imported from time to time, some times as high as ten or twelve million dollars' worth of rice a year, and that answers their own purpose. So it would seem to me of no necessity, in this bill, because it is to produce no revenue so far as the United States Treasury is concerned, and it can present no inducement to the Filipinos themselves to increase their industry in that direction.

The other limitation we have heard elaborately discussed to-day is on the other line. It is proposed to admit sugar from the Philippine Islands free from duty and to bring in different kinds of tobacco and cigars in limited quantities.

I believe, Mr. President, that the limitations contained in this bill on sugar, cigars, and tobacco are just as necessary as the duty on rice. In the first place, the labor conditions in the islands are such that their modes of life and their methods of conducting their agricultural pursuits are such that they have almost lost the oriental markets for their tobacco and cigars.

Now, in legislation which is proposed, we are suggesting to them that possibly for wares that have been practically abandoned by the people of the Orient, possibly they can send into the United States of America and find a market.

I believe it will prove a disappointment to the Filipino if the Filipino deals in tobacco himself, which I very much doubt, and it will prove a financial loss to whoever undertakes to exploit Filipino cigars and tobacco in this country under the present condition of producing those articles in the Philippine Islands. We all know—we have heard it talked here to-day—that the sugar produced is of equally poor character, the poorest, almost, produced in the world, if I am correctly informed, and that we are very much better off, and certainly our producers in this country are very much better off, if we allow the Filipinos to consume their own sugar or else to palm it off on their oriental neighbors rather than the people of the United States.

I can see nothing in this legislation that can give great hope to the Filipino that the United States is endeavoring to lead them on to great advances and to give them great encouragement in the development of the industries in which they are most largely engaged.

You will find, Mr. President, almost the same condition in regard to the principal and largest product of the islands, and which covers 65 and sometimes 70 per cent of their entire exports—I refer to hemp. The last few years have witnessed such deterioration in the quality of the hemp produced in the Philippine Islands as to cause grave questions to rise as to whether it can maintain its position unless decided improvements are soon brought about—whether it can maintain the position which it has maintained for many years in the markets of the world.

CHIEF PRODUCTS OF THE PHILIPPINE ISLANDS.

Hemp, tobacco, sugar, and copra are perhaps the most important agricultural products of the islands that enter into competition with other than a home market. I append herewith tables exhibiting the largest exports shown in Spanish times, covering the period from 1885 to 1894.

[Extract from the report of the Secretary of War to the President on the Philippine Islands, January 28, 1908.]

Value of Philippine exports in Spanish times, calendar years 1885–1894.

Calendar year.	Hemp.	Sugar.	Tobacco and manufactures.	Copra.	Total, including all other articles.
1885	$5,509,757	$8,669,522	$2,297,358		$20,551,434
1886	4,340,058	7,019,978	2,010,093	$5,781	20,113,847
1887	8,161,550	6,156,709	1,559,070	36,809	19,447,997
1888	8,099,422	6,271,030	2,449,181	131,347	19,404,434
1889	10,402,614	9,101,024	2,255,494	209,820	25,671,322
Average annual	7,302,680	7,443,653	2,114,240	76,752	21,037,807
1890	6,925,564	7,265,030	2,469,033	85,764	21,547,541
1891	10,323,913	5,696,746	2,150,306		20,878,359
1892	6,886,526	7,768,595	2,535,740	743,918	19,163,950
1893	7,697,164	10,368,883	2,433,304	414,652	22,183,223
1894	7,243,842	5,476,617	1,576,175	1,172,191	16,541,842
Average annual	7,815,402	7,315,174	2,232,912	483,305	20,062,983

I also call your attention, Mr. President, to a like table of exports during the years of American invasion from 1903 to 1907.

Value of Philippine exports, 1903–1907 of American occupation.

Fiscal year.	Hemp.	Sugar.	Tobacco and manufactures.	Copra.	All other.	Total.
1903	$21,701,575	$3,955,568	$1,882,018	$4,473,029	$1,107,709	$33,119,899
1904	21,794,960	2,668,507	2,013,287	2,527,019	1,246,854	30,250,627
1905	22,146,241	4,977,023	1,999,193	2,095,355	1,134,800	32,352,615
1906	19,446,769	4,863,865	2,389,890	4,043,115	1,173,495	31,917,134
1907	21,085,081	3,934,460	3,129,194	4,053,193	1,511,429	33,713,357
Average annual	21,234,925	4,079,885	2,282,716	3,438,342	1,234,857	32,270,726

NOTE.—Total exports do not include gold and silver coin.

So that in hemp, as well as tobacco, these islands have certainly been in a prosperous condition; the large increase, in a measure, adds to the increased price of the article.

You will notice, Mr. President, that the tobacco exports have already regained the position which they occupied during the Spanish régime. Sugar has rapidly declined. At the highest average which they ever gained during Spanish administration, the Philippine Islands exported about 265,000 tons of sugar; and during the last year, I think, it was about 125,000 tons; at least somewhere in that neighborhood. I have not the exact figures.

A careful examination of these tables, taken from the report of the then Secretary of War and now President, January 27, 1908, shows that in those export products the islands have, with the single exception of sugar, more than regained their position and prosperity in their exportations; the aggregate annual exports during the five reported years of the Spanish rule, 1890–1894, inclusive, being $20,062,983, as against an aggregate average annual export during American occupation, 1903–4, inclusive, of $32,270,726.

I can not improve on the words of this report in regard to the sugar and tobacco industries:

* * * It seems to me wonderful that the exports from the islands have so far exceeded the exports in Spanish times, and have been so well maintained that last year there was more exported from the islands than ever before in the history of the Philippines. * * *

I will also quote in detail from the same report the admirable conclusions which the Secretary reached in regard to these leading industries:

The chief products of the islands are abacá, or manila hemp, as it is generally called, the fiber of a fruitless variety of banana plant; cocoanuts, generally in the form of the dried cocoanut meat called "copra;" sugar, exported in a form having the lowest degree of polarization known in commerce, and tobacco exported in the leaf and also in cigars and cigarettes. There are other exports of course, but these form the bulk of the merchantable products of the islands. In addition to these, and in excess of most of them except hemp, is the production of rice, which constitutes the staple food of the inhabitants. Some years before the Americans came to the islands the production of rice had diminished in extent because the hemp fiber grew so much in demand that it was found to be more profitable to raise hemp and buy the rice from abroad. In the first few years of the American occupation, however, during the insurrection and the continuance of the guerrilla warfare, and finally the prevalence of ladronism, many of the rice fields lay idle and the importation of rice reached the enormous figure of $12,000,000 gold, or about four-tenths of the total imports. With the restoration of better conditions, the production in rice has increased so that the amount of rice now imported is only about $3,500,000 in gold, and the difference between the two importations doubtless measures the increased native production of the cereal.

During the six years of American occupancy under the civil government agriculture has been subject to the violent destruction which is more or less characteristic of all tropical countries. The typhoons have damaged the cocoanut trees, they have at times destroyed or very much affected the hemp production, and drought has injured the rice as well as the cocoanuts. The character of the tobacco leaf has deteriorated much because of a lack of care in its cultivation due to the loose and careless habits of agriculture caused by war and ladronism, and locusts have at times cleared the fields of other crops without leaving anything for the food of the cultivators.

There is a good deal of land—

The Secretary says—

There is a good deal of land available for sugar in the Philippines, but there is very little of it as good as that in Cuba, and the amount of capital involved in developing it is so great that I think the possibility of the extension of the sugar production is quite remote. The moment it expands, the price of labor, which has already increased 50 to 75 per cent, will have another increase. All that can really be expected is that the sugar industry—and this is also true of the tobacco industry—shall be restored to their former prosperity in the earlier Spanish times, when the highest export of sugar reached 265,000 tons to all the world.

The tobacco industry needs a careful cultivation, which, under present conditions, it is very difficult to secure. The carelessness with which the plant is grown and the defective character of the leaves is such as to make the manufacturers of cigars and tobacco in Manila despair of using the Philippine product without the addition of the wrappers either from Sumatra or the United States.

All that a friend of the Philippines can hope for is that the sugar and tobacco industries shall regain their former reasonably prosperous conditions. The development of the islands must be in another direction.

I read this because it is the result of the careful thought and study of the man who has thought and studied over the Philippine question to a greater extent, probably, than any other man in the world, who is now our President, and was Secretary of War when he wrote these words:

The question of labor and capital both must always seriously hamper the growth of sugar production. Nor would I regard it as a beneficial result for the Philippine Islands to have the fields of those islands turned exclusively to the growth of sugar. The social conditions that this would bring about would not promise well for the political and industrial development of the people, because the cane-sugar industry makes a society in which there are wealthy landowners holding very large estates with most valuable and expensive plants and a large population of unskilled labor, with no small farming or middle class tending to build up a conservative, self-respecting community from bottom to top. But, while I have this view in respect to the matter, I am still strongly of the opinion that justice requires that the United States should open her sugar and tobacco markets to the Philippines. I am very confident that such a course would not injure, by way of competition, either the sugar or the tobacco industries of the United States, but that it would merely substitute Philippine sugar and tobacco for a comparatively small part of the sugar and tobacco that now comes in after paying duty. Their free admission into this country would not affect the prices of sugar and tobacco in the United States as long as any substantial amount of those commodities must be imported with the full duty paid in order to supply the markets of the United States.

So confident am I that the development, which the sugar and tobacco interests of the United States fear in the Philippines from an admission of those products free to the United States, will not ensue to the injury of those interests that I would not object to a limitation on the amount of sugar and tobacco in its various forms, manufactured and unmanufactured, which may be admitted to the United States from the Philippines, the limitation being such a reasonable amount as would admittedly not affect the price of either commodity in the United States or lead to a great exploitation of the sugar and tobacco interests in the islands.

I call attention, Mr. President, to the words of the President, then Secretary of War, that he did not deem it well for the islands or its people to develop those interests of sugar and tobacco to a very large extent.

Mr. DICK. What was the date of that communication?

Mr. BULKELEY. This is the special report of the Secretary of War to the President of the United States in 1908, the final report of Secretary Taft after he returned from his last trip to the Philippine Islands.

There are but three islands in all this archipelago that are largely interested in the tobacco industry. They are Isabella, with a population of 76,431; La Union, with a population of 137,839; and Cagayan, with a population of 156,239, making a total population of 370,509. Those engaged in the production of tobacco principally in those islands own lands to the extent of about 50,000 acres. Most of their farms are small—a trifle over an acre each, it is estimated, as I was informed by the collector of internal revenue in the islands, Mr. Hord, with whom I had some conversation about this matter.

I had intended, Mr. President, to call attention to the provisions of this bill as compared with the provisions of bills heretofore enacted providing revenue for the Philippine Islands; but, gratifying to myself, the Committee on Finance this morning accepted some amendments to the bill relating to the manufactures of that island in tobacco as well as other industries.

I will casually remark that in all these exemptions the provision has been that they should be products wholly the growth and product of the islands; and the word "manufacture" has never appeared in all the legislation of Congress in connection with the Philippine Islands until in the present bill.

I sincerely trust that nothing will happen to this tariff bill if this provision shall be enacted into law as now amended. I hope the committee will find occasion to-morrow, in their further consideration of the case, to reduce to a minimum the amount that can be brought in free of duty even under this proposed law. Under the law—and I called attention to the fact this morning when I suggested the amendment—all the raw material of the world could have been shipped into the Philippine Islands, paying of course the duties prescribed by the tariff which is now in the course of preparation for the Philippine Islands and applying the cheap labor of those islands.

I called attention to the bulletin of the Bureau of Labor giving the wages of those engaged in the tobacco industry:

In Spanish times wages were, for sowers, transplanters, cutters, and packers, 20 cents silver currency (15 cents American currency) a day. Selectors received double this wage. When day-labor can be secured in the tobacco provinces at the present time the wage is about 40 cents silver currency (17 cents American currency) per day.

So that, if the bill as originally reported—fortunately now amended—had become a law, the wage-earners of this country would have had, during its continuance, the possible competition of the cheap labor of 7,000,000 people, more or less, inhabitants of those islands, at the wages to which I have called your attention in the bulletin of the Bureau of Labor, No. 58, published in May, 1905.

The Philippine Commission, in its annual report for 1905, made this specific recommendation for a change in the tariff laws affecting duties on sugar and tobacco:

Legislation which shall reduce the duties on sugar and tobacco exported from the Philippine Islands into the United States to not more than 25 per cent of the present rates fixed by what is known as the "Dingley tariff law." (Page 33, Annual Report, Phil. Com., 1905.)

This recommendation failed to receive favorable consideration from the Congress, and was renewed in the annual report of June 30, 1906, page 65, Vol. VII, as follows:

The commission, with the utmost earnestness, renews its recommendation that Congress be asked to amend the Dingley tariff in such way as to provide free entry into the United States of products of the Philippine Islands, or at least to reduce the duties on these articles to 25 per cent of the present rate.

This suggested legislation also failed to receive the approval of the Sixtieth Congress, and the tariff laws affecting the Philippine Islands still remain in force as enacted in 1902.

I ask the attention of Senators to the marked distinction between the legislation proposed in the bill now pending and the tariff legislation heretofore suggested. The act of 1906, which failed of enactment, provided:

That all articles wholly the growth and product of the Philippine Islands coming into the United States from the Philippine Islands shall hereafter be admitted free of duty, except sugar, etc.

The pending bill provides, in addition, for "the manufacture," and omits the provision that these free manufactures shall be in whole or even in part of the growth or product of the islands. They might, and undoubtedly would, be the growth and product of the cheap labor of the world, and in their production or manufacture subject only to the cheaper labor of the Philippine Islands, which would immediately open a new field of competition with American labor, which the pending legislation seeks to overcome, and which the Republican platform of 1908 plainly declared should be properly safeguarded in the proposed revision of the tariff schedules.

The tobacco grown in these islands at present, at least, is not a quality that is desirable to introduce into the United States, and I need only quote from the reports of the Philippine Commission from year to year to verify this statement, and the reports of the governors of the provinces where tobacco is raised are of the same general tenor:

TOBACCO PRODUCTS.

The provinces of Cagayán and Isabela produce the only tobacco fit for use in the manufacture of the better quality of cigars and cigarettes. In several provinces tobacco leaf is produced to a limited extent, but it is believed to be of inferior quality. If the tobacco of the Philippine Islands is to attract foreign markets, it is necessary that immediate steps be taken to improve the character of the seed used, the methods of cultivation, and means of preparation for market. It is not believed that the market for tobacco products has been, on the whole, injured by the new internal-revenue law. The largest wholesale and retail dealers in cigars and cigarettes in Manila, who is likewise a distributor for all the cigar and cigarette manufacturers, has recently issued a pamphlet to the trade entitled "The Cigar Question." Among other things in that pamphlet, he says: "The demand for Philippine cigars and cigarettes has in the past two years exceeded the output, causing long and vexatious delays in filling orders." This difficulty is a real one, and it is not apparent, in view of the enormous domestic consumption of cigars, how the manufacturers of the islands can largely avail themselves of the markets of the United States for their products should those markets be opened to them by striking off the present insurmountable tariff barriers. It will be several years before measures can be made effective to produce a sufficient amount of tobacco suited to American tastes so as to affect the American market or materially to help the industry in these islands.

In this connection it should be remarked that the total output of cigars from all manufactories during the year ended July 31, 1905, was 150,910,950, of which 81,258,130 were for export. The normal annual consumption of cigars in the United States is 7,000,000,000. If it were possible to divert every cigar made in these islands to the United States, home producers would still practically have to supply 98 per cent of the cigars consumed there. Most of the cigars exported from the islands to China and other markets—and China is the greatest market—are of a very inferior quality, and could find no market whatever in the United States. In view of these facts it seems certain that if the Philippine cigars were admitted customs free into the United States, the cigar manufacturers of that country would, for a long time to come, retain considerably over 99 per cent of the trade.

The total taxes collected for twelve months prior to July 31, 1905, on cigarettes amounted to ₱1,996,131.57, 96 per cent of which was paid in the city of Manila and 4 per cent in the provinces, approximately. The total output of cigarettes during that period was 2,964,441,590, besides 14,910,265 exported. The Manila and provincial markets were largely overstocked with cigarettes removed from the manufactories prior to August 1, 1904, to escape the tax. The result was that the cigarette market was dull during the last five months of 1904; but beginning with January, 1905, and continuing down to the date of this report the volume of cigarettes removed from the manufactories, taken as a whole, has attained normal dimensions. The tax rate imposed upon cigarettes in the Philippine Islands is one-third of the rate imposed in Porto Rico and less than one-third of that imposed in the United States. The consumption of cigarettes in these islands, as statistics show, is enormous.

I quote from the report of the Philippine Commission for 1906:

But if there were an absolutely free admission of the Filipino-made cigars into the United States only a comparatively small portion of those produced would seek the American market. Manufacturers would not be willing to abandon their present markets nor to send all their cigars to the United States. A greater portion of the cigars produced here are of a very inferior quality or grade and are sold in China, and would not find purchasers at all if sent to the United States. Even of the better class of cigars produced in the islands many of them would continue to go to Europe, Africa, and other regions where they have heretofore been sold, and from whence goods are imported into the islands. Comparatively few people in the United States have acquired a taste for Philippine cigars, and the demand for them would be only gradual. The area of lands suitable for raising good tobacco in the islands with any satisfactory means of transportation is very limited. It will be many years before, under the most favorable circumstances and alluring hopes of lucrative trade, tobacco planters could possibly increase the yield of their present holdings or increase their present holdings so as to supply sufficient leaf for the manufacture of a greater percentage of cigars than are being manufactured here to-day. The supply of tobacco leaf is at present inadequate to meet the demands of the local manufacturers to make cigars for domestic consumption, and most of the leaf is totally unsuited for making cigars for export to the United States and to European markets.

As a matter of fact, wrapper tobacco is produced in the islands only to a limited extent. The collector of internal revenue of the islands, who is very familiar with all matters of that character, having to deal with the internal-revenue collection of the islands, tells me that not 5 per cent of the tobacco produced in the islands is suitable for wrappers. Most of the cigars that they make for export are what are familiarly known to the trade as "paper cigars." They are not cigarettes, but they are cigars wrapped in paper. The Filipinos themselves are not smokers of cigars to a large extent; but men, women, and children use cigarettes, and the 7,000,000 people in the islands use altogether nearly as many cigarettes as are made in this country.

The Philippine Commission in 1905, the year previous to the report from which I have just read, had this to say:

In every report made by the commission it has urged the repeal of, or at least a large reduction in, the duties imposed by the tariff laws of the United States upon exports of sugar and tobacco from the Philippine Islands to the United States. We now renew our recommendations in this behalf. The reasons which we have so often presented still remain in full force. As we have heretofore stated, both of these industries are in a languishing state, both because of the very considerable destruction of work animals by rinderpest and other cattle diseases and the lack of capital to enable the farmers engaged in raising tobacco and sugar to do more than barely to exist. The producers of tobacco, it is true, have a precarious home market, but they are completely in the hands of the comparatively few manufacturers of tobacco, who generally fix the price which the producer is compelled by his necessities to accept or starve. There is only a limited area of lands adapted to the profitable cultivation of tobacco, and the quality produced is generally poor. Even if the markets of the United States were open to Philippine tobacco, the crude methods obtaining in farming and the conservatism of the people make it certain that no very large increase in output can be expected for many years to come. Even if all the tobacco produced or to be produced in the Philippine Islands now or in the future were exported to the United States and consumed there, it would be so insignificant a proportion of the total amount of tobacco used by the people of the United States that it could not by a possibility disturb the home market, but, as a matter of fact, the greater portion of the output here must be consumed here. The only effect of the abolition of existing duties in the United States on Philippine tobacco, either now or for years to come, would be simply to enable the producer to obtain a living price.

As for sugar, it is the same story. I am reading from the statements of those who are best acquainted with the condition of the people, the condition of their industries, and the results that are produced by their industry—the report of the Philippine Commission. The universal testimony in report after report, not only of the commission, but of the governors of the several provinces, who make their reports to this same commission, are that these products have reached such a low state in their production that they are hardly fit for any market.

The first effort to introduce this tobacco into the United States was caused by the loss of the oriental markets. They produce a tobacco apparently so rank that it is hardly fit for any smoker, but their customers forget that in their eagerness to have a light wrapper cigar, or perhaps they prefer it because oftentimes a light wrapper is stronger than a dark one, a lesson which many of us have to learn.

To continue the quotation from the report of the Philippine Commission of 1905:

As for sugar, it may be said that the high-water mark of annual production was about 300,000 tons during Spanish sovereignty. Since American occupation its production has steadily decreased, so that for the fiscal year 1905 the total amount exported was only 125,276 short tons, which included a considerable amount held in warehouses from previous years. The sugar planters last year obtained a better price for their sugar than for many years before, and this to some extent has served to increase the area planted to sugar this year; and while crop prospects are good, it can hardly be hoped that the total amount produced will exceed 125,000 tons. Moreover, the price of sugar has steadily declined since the last crop was sold. We shall not attempt to repeat in detail the many reasons which forbid any really large increase in sugar production in these islands for many years to come. We content ourselves with stating briefly some of the controlling reasons why this must be so. In the first place, as in the case of tobacco, the area of the lands upon which sugar can be profitably grown in these islands is comparatively small. The supply of native labor is limited and there is no probability of a change in the policy of the Government of the United States forbidding the importation of Chinese or other foreign labor.

The universal testimony is that the unmanufactured tobacco is of such an inferior quality, only about 5 per cent being fit for wrappers, that no benefit will accrue to the Filipino producers by an attempt to open a market in the United States for a product confessedly distasteful for use, and must only end in disappointment to the would-be beneficiary. It is equally true as regards the manufactured product—cigars. Without venturing an opinion of my own, I will again quote from the testimony of

the then Secretary of War, in 1905, before the Ways and Means Committee:

* * * I hope that the Philippine cigar will achieve a better reputation among American smokers after its exportation to this country than it has now. I have brought several thousands of cigars from the Philippines in ecstasy of Philippine enthusiasm, and have sent them to my friends who smoke; but the expresion of thanks is for the courtesy, but not for the cigars. And while that may not indicate that the taste will not be formed for Philippine cigars, it nevertheless shows that time must be taken, and that they will not permit a rival cigar on the same level as the Cuban cigar, whether that cigar be made in this country or in Cuba.

* * * * * * *

Tobacco is raised in nearly every province in the Philippine Islands, but it is not usually exported, except from the provinces I have named. It is of a poor character—

This is President Taft's own statement—

but it is quite sufficient to make cigars as long as 2 feet and 2 inches thick, that hang from the roofs of the cabins and are used as family cigars—the mother, the father, and the children all taking a whiff when convenient. The truth is, that in the United States you calculate that one-half—that is, the female portion—do not use tobacco at all, and not, I suppose, more than 60 or 70 per cent of the male. In the Philippine Islands, of the 7,000,000, I suppose six-sevenths of the men, women, and children must be considered as active consumers of tobacco. And that creates an enormous demand—I mean enormous in proportion to the population—for the tobacco which is raised in the islands. It is only the better kind of tobacco that is exported; the rest is used for home consumption. * * *

As it is almost the hour when, under the order of the Senate, it will adjourn, I will stop at this point. It would only take me a few moments longer to conclude, but I fear there is not time enough to do so to-night, although I am practically through.

The VICE-PRESIDENT. The hour of 11 o'clock having arrived, under the order heretofore adopted, the Senate stands adjourned until to-morrow, June 15, 1909, at 10 o'clock a. m.

CONFIRMATIONS.

Executive nominations confirmed by the Senate June 14, 1909.

DIRECTOR OF THE CENSUS.

Mr. Edward Dana Durand to be Director of the Census.

SURVEYOR OF CUSTOMS.

Louis P. Bryant to be surveyor of customs in the district of New Orleans.

DEPUTY COMMISSIONER OF CORPORATIONS.

Luther Conant, jr., to be Deputy Commissioner of Corporations in the Department of Commerce and Labor.

POSTMASTERS.

CALIFORNIA.

Frank D. Burrows, at San Anselmo, Cal.
Charles B. Fischer, at Burbank, Cal.
William H. Macy, at San Dimas, Cal.

INDIANA.

Edwin L. Lautzenhiser, at North Manchester, Ind.

KANSAS.

Griffith R. Hughes, at Fort Scott, Kans.

LOUISIANA.

Arthur F. Clement, at Mansfield, La.
Tolbert J. Wakefield, at Lake Charles, La.

MASSACHUSETTS.

Arthur W. Alden, at Randolph, Mass.

MICHIGAN.

Robert E. Newville, at Boyne City, Mich.

MINNESOTA.

Grace M. Henderson, at Verndale, Minn.

OHIO.

Frank A. Chatfield, at Bloomville, Ohio.

OREGON.

J. C. Pritchett, at Freewater, Oreg.

SOUTH DAKOTA.

Jacob R. Guthrie, at Murdo, S. Dak.
A. W. Prewitt, at Philip, S. Dak.

TEXAS.

N. C. Schlemmer, at Austin, Tex.

HOUSE OF REPRESENTATIVES.

MONDAY, *June 14, 1909.*

The House met at 12 o'clock m.

Prayer by the Chaplain, Rev. Henry N. Couden, D. D., as follows:

Our Father in heaven, we bless Thy holy name for the spirit that moved our fathers, in Congress assembled, to that high and patriotic resolve that gave to us our national ensign, the Star Spangled Banner, which for an hundred and thirty-two years, in peace and in war, has floated in triumph o'er land and o'er sea, the emblem of liberty and union.

God grant that it may continue to wave, since in liberty is opportunity, in union strength, in strength peace, in peace prosperity and achievement; and grant, we beseech Thee, that its history and triumphs may be told in song and in story till all the ends of the earth shall know liberty, justice, truth, righteousness—yea, until the emblem of peace shall be perched upon every banner and the curse of war be known no more among men; that the Prince of Peace may indeed reign supreme in every heart, to the glory and honor of Thy holy name, our God and our Father. Amen.

The Journal of the proceedings of Thursday, June 10, 1909, was read and approved.

THE TARIFF.

Mr. CULLOP. Mr. Speaker, in 1843 the tariff was the great question absorbing the attention of the American people, and they were then, as now, engaged in its consideration, as it was then, as now, the most important question commanding the attention of Congress.

Hon. James Whitcomb, of Indiana, during the campaign that year, wrote a pamphlet on the subject, entitled Facts for the People.

Governor Whitcomb was a man of the people, and every act of his noble life and distinguished career was to serve them in the advancement of their interest. By his own efforts he won his way from a humble farmer's boy to a seat in the United States Senate, where he took high rank among the great men in that body at that time. He was appointed Commissioner of the General Land Office by President Van Buren, was elected governor of Indiana in 1843, and reelected in 1846. In 1849 he was elected to the United States Senate from Indiana, and after serving about one-half his term died full of honors, leaving an imperishable name as a legacy to the great State which had bestowed upon him its highest honors.

By those who knew him he was regarded as one of the wisest men that great State ever produced and one of the ablest political debaters in the whole country. The arguments made in his pamphlet, Facts for the People, which then attracted the attention of the country and won him fame, are directly applicable to the question to-day, and so far as the same applies I herewith submit them for consideration on the pending measure.

WHAT IS A TARIFF?

This question is often asked, but not satisfactorily answered. It is of the greatest importance to every taxpayer that it should be correctly understood. What little information we have on the subject among the farmers, mechanics, and laborers is either derived from interested sources, and is therefore one-sided, or it is so covered up with hard words as not to be understood by the mass of the people. When plainly expressed, the humblest individual of sound mind in the community can understand it. To all such we say, "You are precisely the class of men who, above all others, should understand it." We believe that the mass of the people are virtuous and intelligent and that they are capable of self-government. We believe that God in His kind providence has given them minds equal to the management of their own affairs. It is only necessary that they should know about the facts to enable them to form a correct judgment on every question, public or private, in which they are interested.

The doctrine that a freeman must surrender the right of thinking for him to some knowing neighbor is essentially slavish and unworthy a rational being. Let not the poorest lay away the noble faculty of his reason, like a talent in a napkin. It was bestowed on him by the author of his being for active use. It is of little consequence that the hands are used in procuring a livelihood or in acquiring property if the mind is neglected. In that case too frequently it is others only who are benefited. All wealth comes through the hands of the laborer. "The cloud-capped towers and gorgeous palaces," the splendid cities, and the smiling fields of cultivation are of his creation.

And why, then, do they generally retain so little of that which passes through their hands? It is because the ingenuity of a