mentary motion provided in the rule. I do not think it is a good practice. It never has been done under our unanimous-consent agreements, and I think every Senator should at least have reserved to him the right under the rule to make any regular parliamentary motion.

The VICE-PRESIDENT. The Chair understands the Senator objects to the request of the Senator from Iowa?

Mr. LODGE. I do.

Mr. ALDRICH. I think the Senator from Texas will agree with me. There will be no trouble here. We have been here together a long time. We on this side are not trying to get an agreement that will be different from what is expressed here. We will go on in the regular way. There is no trouble whatever about it. I have no intention at present to make a motion to refer; but I do not think it is desirable that we should be cut off from making proper motions with respect to the disposition of this subject.

Mr. BAILEY. Complying with the suggestion of the Senator from Massachusetts, who repeated the suggestion of the Senator from Rhode Island, that that kind of unanimous consent was unprecedented, or at least unusual, in the Senate, I agreed to waive that and to take the Senator's word that he would not make a motion to refer. But I do not deem it half so important now as it has been heretofore. Heretofore the plan of campaign mapped out by the Senator from Rhode Island was to move to refer this amendment to the Judiciary Committee, and that plan of campaign was based on the belief that they could cast more votes for a motion to refer than they could for a motion to defeat. That was the whole purpose. I was not altogether a novice at matters here, and I knew what the Senator intended to do and why he intended to do it, just as well as he did. Consequently I iterated and reiterated, with some degree of persistence, that that was what he intended to do, with the direct and specific object of preventing him from doing it. At least we have brought everybody in the United States Senate and everybody in the country to understand that a vote to refer is a vote to defeat, and he can now poll about as many votes against the amendment as he can on the motion to refer it.

The Senator from Rhode Island found that out, and so did the President of the United States find it out, and straightway, although the President, as has been recited here to-day, had declared that an amendment to the Constitution was unnecessary, and had made that declaration the basis of a criticism against the Democratic party, he now goes to the declaration of the Democratic platform; and I think if we could have a week or ten days longer, and we were blessed with the kind of progress that the last ten days has brought, the country would witness the unlooked-for spectacle of the Senator from Rhode Island even consenting to an income-tax amendment.

The VICE-PRESIDENT. May the Chair interrupt to suggest that it is very near 7 o'clock?

Mr. ALDRICH. I ask that the unanimous consent be granted.

Mr. BAILEY. The matter is now before the Senate. Let it go over, and it will be the pending question in the morning.

Mr. ALDRICH. It will not go over as the pending question.

Mr. BAILEY. Oh, yes.

Mr. LODGE. It will have no privilege in the morning.

Mr. ALDRICH. It will have no privilege to-morrow.

Mr. BAILEY. It will not?

Mr. ALDRICH. No.

Mr. BAILEY. When an amendment is pending——

Mr. ALDRICH. Oh, no.

Mr. BAILEY. Then I will ask unanimous consent to withdraw it, and I will offer it again when I can.

The VICE-PRESIDENT. Is there objection to that request?

Mr. ALDRICH. The Senator does not need to withdraw it. It falls at 7 o'clock.

Mr. BAILEY. Will it not be pending to-morrow?

Mr. ALDRICH. No.

Mr. BAILEY. I will ask the Chair for a construction of the parliamentary rule. If we adjourn without any action on it, does the amendment lapse or will it be pending when we again meet?

The VICE-PRESIDENT. The impression of the Chair is that the amendment would lapse.

Mr. BAILEY. The amendment would lapse? We ought to have a little more time——

Mr. ALDRICH. Will the Senator allow me to ask unanimous consent that this amendment be taken up immediately after the disposition of the schedules and continued from day to day until disposed of? I ask unanimous consent for that.

Mr. BAILEY. The Chair wishes to say something.

The VICE-PRESIDENT. The Chair wants to correct a misapprehension. The Chair was under a misapprehension. The Chair understands now, from what the clerk tells him, that—the present occupant of the chair was not here when the original agreement was made—the amendment now having been brought up, it is regularly before the Senate. The Chair thinks——

Mr. ALDRICH. But it would have no privilege to-morrow unless——

The VICE-PRESIDENT. It would be the pending proposition. That is the impression of the Chair.

Mr. HEYBURN. I do not understand the amendment has been brought up in that sense.

Mr. ALDRICH. I ask the Chair to put the request for unanimous consent.

The VICE-PRESIDENT. What was the request of the Senator—that it go over until to-morrow?

Mr. ALDRICH. That the pending amendment be taken up immediately after the disposition of the schedules and be continued from day to day until disposed of.

The VICE-PRESIDENT. Is there objection to that request?

Mr. HEYBURN. I should like to understand the term "disposed of." The term "disposed of" does not imply a vote.

Mr. BEVERIDGE. Certainly.

Mr. HEYBURN. Not upon the amendment.

Mr. BEVERIDGE. That means subject to any rule of the Senate.

Mr. HEYBURN. I want that to appear in the RECORD.

Mr. BAILEY. Mr. President, I dislike to take myself off the floor, but I make the point of order that the hour of daily adjournment has arrived.

The VICE-PRESIDENT. The point of order is well taken. The hour of 7 o'clock having arrived, the Senate stands adjourned until to-morrow, Saturday, June 19, 1909, at 10 o'clock a. m.

SENATE.

SATURDAY, *June 19, 1909.*

The Senate met at 10 o'clock a. m.

Prayer by the Chaplain, Rev. Ulysses G. B. Pierce, D. D.

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

FINDINGS OF THE COURT OF CLAIMS.

The VICE-PRESIDENT laid before the Senate communications from the assistant clerk of the Court of Claims, transmitting certified copies of the findings of fact filed by the court in the following causes:

In the cause of Jacob M. Davis and sundry other claimants of the League Island Navy-Yard *v.* United States (S. Doc. No. 107);

In the cause of Otto Seiler, administrator of the estate of Carl Weiland, deceased, *v.* United States (S. Doc. No. 106); and

In the cause of Hans Anderson and sundry other claimants of the Brooklyn Navy-Yard *v.* United States (S. Doc. No. 108).

The foregoing findings were, with the accompanying papers, referred to the Committee on Claims and ordered to be printed.

ALASKA-YUKON-PACIFIC EXPOSITION.

The VICE-PRESIDENT. The Chair lays before the Senate a telegram in the nature of an invitation to the Members of the Senate, which will be read.

The Secretary read as follows:

EXPOSITION GROUNDS,
Seattle, Wash., June 18, 1909.

Hon. JAMES S. SHERMAN,
Vice-President, Washington, D. C.:

Yourself and Members of the United States Senate are cordially invited to attend Alaska-Yukon-Pacific Exposition, now being held at Seattle, to continue until October 16. Journey to this section, we believe, would be instructive and pleasant to the Members of Congress.

J. E. CHILBERG, *President.*

The VICE-PRESIDENT. The telegram will be referred to the Select Committee on Industrial Expositions.

PETITIONS AND MEMORIALS.

Mr. GALLINGER presented a petition of the National Federation of Remedial Loan Associations, praying for the enactment of legislation to regulate the money-loaning business in the District of Columbia, which was referred to the Committee on the District of Columbia.

Mr. DEPEW presented memorials of sundry citizens of Chateaugay, Beaver Falls, New York, Potsdam, and Watertown, all in the State of New York, remonstrating against any reduction from the Dingley rates on news print paper and wood pulp, which were ordered to lie on the table.

Mr. PILES presented a petition of the Pacific Coast Lumber Manufacturers' Association, praying that an appropriation be made to enable the Interstate Commerce Commission to make valuation of the railroad property in the United States, which was referred to the Committee on Interstate Commerce.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

BILLS INTRODUCED.

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

By Mr. SMOOT:

A bill (S. 2634) granting an increase of pension to George W. Goshen (with the accompanying papers); to the Committee on Pensions.

By Mr. BACON:

A bill (S. 2635) for the relief of Martin Ball; to the Committee on Claims.

By Mr. GALLINGER:

A bill (S. 2636) to provide for participation by the United States in certain industrial expositions of products and manufactures of the United States exclusively, to be held in the principal cities of South America; to the Select Committee on Industrial Expositions.

By Mr. MONEY:

A bill (S. 2637) to carry into effect the findings of the Court of Claims in the matter of the claim of Mattie H. Jarnagin (with the accompanying papers); to the Committee on Claims.

By Mr. OWEN:

A bill (S. 2638) for the relief of the Saginaw Swan Creek and Black River band of Chippewa Indians in the State of Michigan; to the Committee on Claims.

IRON AND STEEL PRODUCTS.

On motion of Mr. PENROSE, it was

Ordered, That the paper entitled "Percentages of Increase and Decrease of Rates of Schedule C of H. R. 1438, Iron and Steel Products," be printed as a document (S. Doc. No. 109).

DUTY ON OIL.

On motion of Mr. OWEN, it was

Ordered, That a memorial on behalf of the independent oil producers and independent oil refiners, praying for a tariff on oil, be printed as a document, including the map (S. Doc. No. 88, pt. 2).

THE WOOLEN INDUSTRY.

On motion of Mr. WARREN, it was

Ordered, That 3,000 copies of Senate Document No. 70, Sixty-first Congress, first session, on the wool trade of the United States, be printed.

COMMITTEE SERVICE.

Mr. ALDRICH submitted the following resolution, which was considered by unanimous consent and agreed to:

Resolved, That the Senator from Illinois [Mr. LORIMER] be appointed to fill the vacancy in each of the following committees:
On Expenditures in the Navy Department (chairmanship);
On Manufactures;
On Pacific Islands and Porto Rico; and
On Private Land Claims.

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

The VICE-PRESIDENT. The Secretary will call the roll.

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

Aldrich	Clapp	Gamble	Penrose
Bacon	Clark, Wyo.	Gore	Perkins
Bailey	Culberson	Guggenheim	Piles
Bankhead	Cullom	Hale	Rayner
Beveridge	Cummins	Heyburn	Root
Borah	Curtis	Hughes	Scott
Brandegee	Daniel	Johnson, N. Dak.	Simmons
Briggs	Davis	Johnston, Ala.	Smith, Md.
Bristow	Depew	Jones	Smith, S. C.
Brown	Dick	Kean	Smoot
Bulkeley	Dillingham	Lodge	Stone
Burkett	Dolliver	McLaurin	Sutherland
Burnham	Fletcher	Martin	Tillman
Burrows	Flint	Nelson	Warner
Burton	Foster	Oliver	Warren
Carter	Frye	Overman	Wetmore
Chamberlain	Gallinger	Page	

The VICE-PRESIDENT. Sixty-seven Senators have answered to the roll call. A quorum of the Senate is present.

Mr. ALDRICH. Mr. President, the matter which was before the Senate last night at the adjournment was with reference to the income-tax amendment of the Senator from Texas [Mr. BAILEY]. It is my purpose to ask the Senate to proceed to the consideration of that amendment immediately after the disposition of the schedules and the free list, whether any agreement is reached or not, and to continue its consideration before the Senate from day to day until it is disposed of. I would suggest with that understanding that the matter may go over.

Mr. BAILEY. Mr. President, after conferring with a number of Senators who feel that it is inconvenient and undesirable for this matter to be postponed at one time until another time and then until a further time, there being uncertainty as to whether it would then be taken up or postponed again, and it also being the opinion of the Republican Senators who favor an income tax that the proper place to dispose of it is after the schedules have been completed, I am myself disposed to assent to any arrangement that will make it clear and definite.

I do not concur in the opinion that the proper place to dispose of this question is after all the other schedules have been disposed of, and I concur less now that the President of the United States and the chairman of the Committee on Finance recognize that it is necessary to supplement the revenues of this bill by some internal-revenue taxation.

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Texas yield to the Senator from Rhode Island?

Mr. BAILEY. I do.

Mr. ALDRICH. I am not authorized to speak for the President of the United States, but so far as the chairman of the Committee on Finance is concerned, the Senator is inaccurate in that statement.

Mr. BAILEY. Well, Mr. President, I will be glad to have it appear in the RECORD that the Senator denies the necessity of raising additional revenue and yet intends to report and support a proposition to do it.

Mr. ALDRICH. Mr. President——

Mr. BAILEY. I leave that for the Senator to settle with himself and his constituents.

Mr. ALDRICH. I think I will be able to make a statement upon that subject that will be satisfactory to the Senate. I certainly can make one that will be satisfactory to myself.

Mr. BAILEY. I have no doubt the Senator from Rhode Island will be able to make some kind of defense for this advance that will at least pass, even if it is not accepted by his friends on that side. But all the time until within the last week the whole objection to this income-tax amendment has been, I mean so far as announced on the floor and as it appears in the RECORD, that it was unnecessary taxation, and therefore unwise taxation. I perfectly understand that that is not the whole objection to it which Senators feel, and which Senators, whenever required to do so, would proclaim, but so far as the RECORD appears, that has been the sole argument against it.

If it be true that the bill under consideration will raise through its tariff schedules ample revenues to support the Government, then, obviously, no further money ought to be collected from the people, and, as obviously, if we are going to raise this $80,000,000 on the incomes of the country, we ought to reduce the collections by $80,000,000 on the consumption of the country. Holding to that view, I still contend that the first thing that ought to have been done in the consideration of this bill was to decide this income-tax amendment, so that if we did determine to raise a given amount of money in that way, we would raise that much less money in the other way.

But the two votes of the Senate have made it manifest that a majority, including some sincere friends of the income-tax amendment, desire it to go over. I believe I state the views of the Republican Senators who are cooperating in this; they have voted rather under protest heretofore; and in order to relieve them of that embarrassment, or, rather, to relieve them of the necessity of voting to take it up at once, when they think it would be and could be more properly disposed of at last, I am willing to agree to the arrangement of the Senator from Rhode Island, with the assurance, and that is all I ask—I do not ask even that it shall be made under the unanimous-consent agreement—with the assurance that there shall be no motion made to refer this subject to the committee or to any committee.

The VICE-PRESIDENT. If the Chair understands the request of the Senator——

Mr. HEYBURN. Does the Senator from Texas yield the floor?

Mr. BAILEY. I yield it for the present.

Mr. HEYBURN. Mr. President, I do not desire to be contentious in this matter. I have pretty well defined views in regard to what I shall feel compelled to do in regard to these proposed measures. No one is or will be authorized to promise for me that I will not object or that I will not make a motion to refer this to a committee.

Mr. ALDRICH. There is no agreement suggested in regard to that.

Mr. HEYBURN. I will not comment upon anything the Senator from Rhode Island has said. I merely desire that no

one shall be misled; that there shall be hereafter no question about it.

It is not my intention to vote for an income-tax bill to tax the net incomes of corporations or any other subterfuge for the purpose of raising money enough to pay the expenses of the Government outside of the custom-house dues and the internal revenue. I have very clearly defined views. I have some responsibility, at least to the extent of my constituency, and I desire that there shall be no misunderstanding about it. It makes no difference in what shape the income-tax bill may come into the Senate, it makes no difference in what shape a bill may come into the Senate proposing to tax net incomes of corporations or any other income of corporations, until a constitutional method for raising the money to pay the expenses of the Government is shown to be inadequate I will not give my support to extraordinary measures. I belong to the Republican party. I speak its principles. I am not ready to about face at the demand of anybody. We were marching and will continue to march, in my judgment, to a determination based upon the protective-tariff policy of the Republican party, and I certainly shall never admit defeat until after the battle is long over.

Mr. CUMMINS. Mr. President——

The VICE-PRESIDENT. Will the Senator from Idaho yield to the Senator from Iowa?

Mr. HEYBURN. Yes.

Mr. CUMMINS. I could not hear the early sentences in the remarks of the Senator from Idaho.

Mr. ALDRICH. I appeal to the Senator from Idaho not to discuss this matter until we can get through the schedules of the bill. If we expect to pass the bill at all, we must go ahead with it and not discuss questions not before the Senate. I appeal to the Senator——

Mr. CUMMINS. I do not desire to discuss the income tax. I rose to ask if the Senator from Idaho objected.

Mr. ALDRICH. There is no request for unanimous consent. I simply made the statement that after the paragraphs are disposed of I shall myself ask the Senate to consider these amendments from day to day and time to time until they are disposed of, a suggestion which the Senator from Texas accepted. There is no request for unanimous consent before the Senate.

Mr. CUMMINS. That is entirely satisfactory to me, but I could not hear what the Senator from Idaho was saying.

Mr. HEYBURN. I will try to speak so that anyone will hear me. I would prefer to have the judgment of the Senator as to the wisdom of what I do after I say it rather than before.

Mr. ALDRICH. I am anxious to get along with the bill.

Mr. HEYBURN. So am I; no Senator here is more anxious than I am to finish this business, and the minute or two I shall occupy in stating my position here will not be, in my judgment, very expensive in point of time.

We are going forward to the consideration of the tariff schedules that are framed upon the protective-tariff principle, and whether or not those schedules are going to be whittled down now so as to leave a margin of necessity for some other legislation is a question of very great importance to me. I have voted against every reduction in existing duties, because I believe that the promise that was made, and always is made, by the Republican party that it will pay the expenses of the Government through the means of the custom-house and by internal revenue is the most sacred promise that the Republican party ever made to the American people. I for one propose to stand for it here or elsewhere, wherever it may arise.

I am not going to enter into any considerable discussion of this question, but, with all due deference to the chairman of the Committee on Finance, I have been accustomed always through my life to participate in the deliberations and the discussions of any body of which I am a member, and I shall have to insist upon that privilege here.

Now, I can see this danger facing the Republican party right now: That, resting upon the fancied security of ample revenue from other sources they may say: "Oh, well, no matter much whether this duty is high or whether low." For one, I shall still continue to march along the line of high protective duty, for the dual purpose of producing revenue and paying the expenses of this Government. And I will be no—what do they call it?—discontent or rebel.

Mr. ALDRICH rose.

Mr. HEYBURN. I think the Senator will probably wait until I have yielded the floor.

Mr. ALDRICH. Certainly.

Mr. HEYBURN. I am not very patient of intolerance when my rights are involved, and I am not very apt to yield to the dictate of any schoolmaster tactics. I say this with all respect, but it is not the first occasion in which I have felt inclined to say it. When I take the floor by right in the Senate, I will hold it by right on my own judgment, subject always to the rules of courtesy.

Mr. NELSON. Mr. President——

Mr. HEYBURN. But I am not to be taken off the floor like a schoolboy; not for a moment.

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

Mr. HEYBURN. I yield, with pleasure.

Mr. NELSON. The Senator seems oblivious to the fact that the higher you raise the duties the less the revenue.

Mr. HEYBURN. I am not going to discuss that now at all. I will discuss the question of protective tariff when it is up in order to be discussed, and not before; but at this particular time I am not going, so far as my vote or my consent is concerned, to make way for any substitute for the principle of protection. I want no substitute for it. We promised the people that we would stand for protection, and we did not promise them that we would stand for any substitute for it. Now I yield the floor.

The VICE-PRESIDENT. Does the Chair understand the Senator from Texas to withdraw his amendment?

Mr. ALDRICH. I ask that it may go over, or the Senator can withdraw it and offer it again.

The VICE-PRESIDENT. Does the Chair understand the Senator from Texas to withdraw it?

Mr. BAILEY. I first desire the ruling of the Chair whether the amendment is now before the Senate.

The VICE-PRESIDENT. The Chair held last evening that it would be before the Senate this morning.

Mr. BAILEY. I so construed the ruling of the Chair, but I wanted to be certain.

The VICE-PRESIDENT. The Chair thinks the Senator is right.

Mr. BAILEY. Having it before the Senate, I shall have to insist that the Senator from Rhode Island exercise the right and power of the majority to postpone it.

The VICE-PRESIDENT. Then the Senator from Rhode Island, as the Chair understands, asks unanimous consent, in accordance with the request made last night, that the pending amendment be taken up after all these schedules of the pending bill are disposed of——

Mr. ALDRICH. And the free list.

The VICE-PRESIDENT. And that it be considered from day to day, to the exclusion of other business, save morning business. The Chair assumes the Senator meant until finally disposed of. Is there objection?

Mr. BORAH. I do not rise to object, but I want to suggest again that, in order to make headway in this matter, the committee shall not delay bringing in the corporation tax, for we want to take some time to consider it before we take up the question for the purpose of discussion.

Mr. ALDRICH. I might as well say now, perhaps, as at any time, that the committee have requested the Attorney-General, and the President has requested the Attorney-General, to prepare an amendment; and the Attorney-General, under the direction of the President, is preparing an amendment which will reflect the views of the administration. That amendment will be considered by the committee as soon as its consideration is possible, and it will be reported to the Senate, I hope, not later than Monday morning. That is my present hope, but it certainly will be presented immediately after it is perfected for the consideration of the Senate, and certainly at least a day before any suggestion is made for taking it up. I hope very much——

Mr. BAILEY. I understand the Constitution requires bills for raising revenue to originate in the House of Representatives and not in the White House.

Mr. ALDRICH. This is not a question of a bill for raising revenue. The President of the United States has sent a message here upon this subject, and it is desirable, in my opinion, that we should have the ideas and recommendations of the President in reference to the matter.

Mr. BAILEY. Well, the Constitution——

Mr. ALDRICH. The amendment will be reported by the Committee on Finance, and the Committee on Finance will be responsible for it. I do not mean to say that the Committee on Finance will have to take the suggestions of the Attorney-General or of the President; but it is my judgment that we should have the views of the President. He has expressed in a general way his ideas upon the subject, and I think it is desirable that we should have his views in concrete form. There is no concealment about this matter. It is not that the Committee on Finance is bound to accept the suggestions of the Attorney-General and of the President, but we do desire to know

exactly the form in which they would be glad to have the amendment put.

Mr. BORAH. I would be very glad myself, of course, to have the views of the Attorney-General upon this matter, but it will evidently take some time for the Senator and his committee to frame a new system of taxation. I only suggest that as a reason why it will take a considerable time to dispose of it after it is brought in.

Mr. ALDRICH. I appreciate that fully.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Rhode Island?

Mr. BAILEY. Before assenting to that request, I want to ascertain exactly what my rights would be. I have no expectation that the Attorney-General will prepare an amendment or that the Finance Committee will report an amendment which I could support, but, as they are making progress, it might be that it would be safe and wise to leave ourselves in a position to accept their proposition, if it be one that would at all be in accordance with our views. Before I assent to the request, I want to ask, as a matter of parliamentary procedure, if I would be entitled as a matter of right to withdraw the pending amendment, if I chose to do it for any reason.

The VICE-PRESIDENT. The Chair assumes the Senator is familiar with paragraph 2, of Rule XXI, which reads:

> Any motion or resolution may be withdrawn or modified by the mover at any time before a decision, amendment, or ordering of the yeas and nays, except a motion to reconsider, which shall not be withdrawn without leave.

Mr. BAILEY. I was familiar with the rule, but I understood the Chair the other morning to hold that a motion could not be withdrawn after the yeas and nays were ordered, and then the Senator——

The VICE-PRESIDENT. The Chair did so hold.

Mr. ALDRICH. That is the plain provision of the rule.

Mr. BAILEY. Then the Senator from Georgia raised the question, and the Chair then held that it being in the possession of the Senate it could not be withdrawn, without reference to whether the yeas and nays were ordered. The RECORD, of course, will show that; I have not examined it, but I remember the occurrence. I had this very matter in my mind then. With the understanding that I can do that, I myself would have no objection to the request of the Senator from Rhode Island.

Mr. ALDRICH. Mr. President, every Senator will have all the rights he is entitled to under the rules of this body, if my suggestion is carried out.

Mr. BAILEY. That is altogether too general. I want to know specifically.

Mr. ALDRICH. The Senator undoubtedly, under the rule which has just been read, would have the right to withdraw the amendment, either temporarily or permanently, if he should so desire.

Mr. BEVERIDGE. At what time?

Mr. ALDRICH. At any time before the yeas and nays were ordered.

Mr. BEVERIDGE. That was just the point I made. The Senator from Texas is quite right. I made that point first the other day. The Senator from Nebraska asked to withdraw his amendment.

Mr. KEAN. The yeas and nays had been ordered.

Mr. BEVERIDGE. Yes; the yeas and nays had been ordered, and I rose then to protest against it. I was on my feet when the yeas and nays were called for, addressing the Chair. I remember the incident, because I raised it. Before I was recognized a sufficient number had responded to order the yeas and nays. Then the Chair recognized the Senator from Nebraska, and he asked leave to withdraw his amendment. After the yeas and nays had been ordered he could not do it without unanimous consent. The Senator from Rhode Island promptly objected to that. Then the point was made by the Senator from Georgia and the Senator from Maine that it did not make any difference about ordering the yeas and nays at any time, for he could not withdraw his amendment without unanimous consent.

Mr. ALDRICH. Mr. President——

Mr. BEVERIDGE. Pardon me just a moment, because I should like to get this matter straight on the record. So far as that incident came about, it is exactly as the Senator from Texas has stated it, and as I clearly remember it. I myself, when the yeas and nays were called for, rose and demanded recognition, but I was not recognized until a sufficient number had raised their hands to second the demand for the yeas and nays. Then the Senator from Nebraska was on his feet at the same time asking to withdraw his amendment.

Now it appears that he would have had the right to withdraw the amendment if it had not been for the ordering of the yeas and nays. It is a very excellent thing that at this particular moment this incident shall be referred to again in order that we may be clear hereafter as to whatever right any Senator may have who has offered an amendment, and that when he has risen for the very purpose of exercising his parliamentary right to withdraw it he shall be recognized before a show of hands ordering the yeas and nays.

Mr. ALDRICH. Mr. President, I want to be frank with the Senator from Texas about this matter. There is no reason why there should be any concealment.

Mr. BAILEY. I think we can reach an agreement now.

Mr. ALDRICH. The Senator from Texas asks if he can withdraw his amendment. My understanding is that the consideration of this amendment of his is to be proceeded with until it is disposed of. Of course, if he withdraws it that disposes of it. There is no question about that. That is a perfectly plain proposition. The Senator from Texas has the right to withdraw it at any time, and that disposes of it until he offers it again, or he may never offer it again, if he pleases. No Senator loses his rights by any suggestion I have made. He has all the rights which he is entitled to as a Member of the Senate. I have no disposition to deprive and I am sure I could not deprive the Senator from Idaho of any rights which he has. Our experience in the past has shown that the Senator is not inclined to permit anybody to infringe upon his rights, and I certainly have no disposition to do so. But I assure the Senator that all the rights which he is entitled to under the rules of the Senate will be accorded to him. We can not help ourselves. The proceeding will be under the rules of the Senate from the moment the proposition is taken up.

Mr. BAILEY. Now, Mr. President, with this matter clarified, and while I have no earthly expectation that any amendment will be reported for which I would be willing to vote, while still pressing the proposition which I now have pending, I still want the right to do that if Republicans should progress that far in so short a time.

With that understanding now I will not say that I am perfectly willing, but I am willing in a spirit to accommodate those who are cooperating with me, that this matter shall be laid aside until we have finished the schedules which levy duties and the free list, except that this amendment is to come as an amendment to the sugar schedule, and of course that could not be disposed of before this was taken up. But I am perfectly willing to do that, and I am constrained to agree to that arrangement for the further reason that Senators on both sides desire to know exactly when they will be required to be here. Some Senators who are either sick themselves or detained from the Senate by the sickness of their families will know the matter is to come up. They do not desire to be called back from their homes on Tuesday to have it postponed until Thursday and on Thursday to have it postponed until Monday.

Mr. CLAY. Will the Senator permit me?

Mr. BAILEY. Certainly.

Mr. CLAY. I do not know that I understood the Senator thoroughly. Do I understand the Senator to say that when this amendment is called up under the rules of the Senate the Chair has stated the Senator will have a right to withdraw the amendment?

Mr. BAILEY. That is so.

Mr. CLAY. Suppose some Senator should object to the withdrawal of the amendment; under the rules of the Senate, the amendment being in the possession of the Senate, would not the Chair be compelled to put it to the Senate as to whether or not the amendment should be withdrawn?

Mr. BAILEY. The Chair has already stated otherwise, and read the rule. The Senator from Rhode Island himself concurs in the opinion that I have a right to withdraw it, and that that right could not be defeated by a single objection.

Mr. CLAY. I understood the Chair to rule the other day that after an amendment is in the possession of the Senate and any Senator objected to its withdrawal, the question must be put to the Senate as to whether the amendment could be withdrawn.

The VICE-PRESIDENT. When it was in the possession of the Senate as defined by the rule, and the rule says that it is in the possession of the Senate so that it can not be withdrawn after an amendment or after ordering the yeas and nays.

Mr. CLAY. That would change the rule, then.

Mr. BAILEY. The only mistake the Chair made, then, was merely a mistake in saying that he would have held the same way if the yeas and nays had not been ordered. His ruling in that case was unadvised.

The VICE-PRESIDENT. The Chair did not make that statement.

Mr. BEVERIDGE. It was the Senator from Georgia and the Senator from Maine who made that statement.

Mr. BAILEY. The Chair very clearly holds according to the rule.

The VICE-PRESIDENT. The Chair, then, hears no objection to the agreement as stated by the Chair, and that is the order of the Senate.

Mr. BROWN. I desire leave to extend in my remarks tables and statistics that I used the other day.

The VICE-PRESIDENT. Without objection, leave to print certain papers with the remarks of the Senator from Nebraska will be granted.

Mr. BACON. I did not hear the request.

Mr. BROWN. I ask leave to insert in my remarks statistics and tables which I used the other day.

The VICE-PRESIDENT. Is there objection? The Chair hears none.

Mr. GALLINGER. Mr. President, I desire to correct a statement I made on yesterday in answer to an interrogatory from the Senator from Nebraska [Mr. BROWN]. I then stated that the International Paper Company had not sold paper at even so high a price as $45 per ton. I made a mistake, which was somewhat natural, from the fact that the company had not sold paper covering the entire year at an average as high as that, but that the company sold paper in small lots at a higher rate than I stated is undoubtedly true.

The VICE-PRESIDENT. The Secretary will report the pending amendment submitted by the Senator from Rhode Island on behalf of the Committee on Finance.

The SECRETARY. On page 156, Schedule M, Pulp, Papers, and Books, in lieu of paragraph 402 as printed in the bill, the committee proposes the following substitute:

402. Mechanically ground wood pulp, one-twelfth of 1 cent per pound, dry weight: *Provided, however,* That mechanically ground wood pulp shall be admitted free of duty from any country or dependency (being the product of any such country or dependency), when and so long as such country or dependency, or any province or subdivision thereof, does not forbid or restrict the exportation of or impose any import or export duty, export license fee, or other export charge of any kind whatsoever, either directly or indirectly (whether in the form of additional charge or license fee or otherwise), upon mechanically ground wood pulp, logs, or wood for use in the manufacture of wood pulp. Chemical wood pulp, unbleached, one-sixth of 1 cent per pound, dry weight; bleached, one-fourth of 1 cent per pound, dry weight: *Provided,* That if any country, dependency, province, or any subdivision thereof shall impose an export duty or other export charge of any kind whatsoever, either directly or indirectly, on pulp wood or logs exported to the United States, the amount of such export duty or other export charge shall be added as an additional duty to the duties herein imposed upon wood pulp when imported, directly or indirectly, from such country or dependency: *And provided further,* That in case any such country, dependency, province, or subdivision thereof shall forbid, directly or indirectly, the exportation of any wood pulp, logs, or wood for use in the manufacture of wood pulp, an additional duty equal to the rates of duties imposed by this paragraph upon wood pulp shall be imposed upon any wood pulp imported from such country or dependency.

Mr. CLAPP. Mr. President, I first want to call the chairman's attention to what may be rather technical, because the amendment deals of course with pulp wood. The language is pulp wood and logs. To avoid any possible question I would suggest the inserting of "pulp logs."

Mr. ALDRICH. That is what is intended, although logs are on the free list now in this country.

Mr. CLAPP. But this proposes a duty in certain cases.

Mr. ALDRICH. I am quite willing to modify it. I think logs and pulp wood cover the purpose of the amendment, but I am quite willing to accept the modification.

Mr. CLAPP. There is another matter to which I wish to call the attention of the committee very seriously. I have no doubt the committee will differ with me, but I believe we are making a great mistake in these measures in treating the dependencies and provinces as separate units. I can readily see how, if they wanted to resort to such a measure, they could impose an export duty in those districts which have but little timber, leaving the district in which the mills are located without any restrictive measure, and thus give to that district with its mills the entire American market, and yet perhaps seriously interfere with American mills adjacent to those other provinces where there would be some stuff to bring in, and yet there would be no mills located in those provinces.

Mr. ALDRICH. Mr. President, the Senator from Minnesota does not understand the purpose and the effect of the amendment. If the Province of Quebec, for instance, puts a prohibition upon the exportation of this article, then the duty is imposed. If the Senator will examine the matter, he will find that the proposition as made by the committee is——

Mr. CLAPP. Then why use the words "province or dependency?" Why not limit it plainly to one governmental subdivision?

Mr. ALDRICH. I think, if the Senator will examine carefully the substitute proposed by the committee, he will find that his idea has been carried out exactly by the terms of the amendment as offered. I will say that if Senators will now allow this amendment to be agreed to, and on further examination they do not find it is as I have stated, or if there should be any objection to it, I will agree to have it taken up hereafter for consideration.

Mr. CLAPP. I confess, Mr. President, that simply from hearing the amendment read I can not pit my construction of it against the construction placed upon it by the Senator from Rhode Island, who prepared it, but I will accept the Senator's proposition.

Mr. BROWN. Mr. President, it seems to me that it is almost impossible to gather the import of this proposed substitute from hearing it once read. This is one of the most important paragraphs in this schedule; it reaches one of the basic factors of this question; and it does seem to me that we should not be asked this morning to vote upon this substitute without having an opportunity to read it over. I want to appeal to the Senator from Rhode Island to let this paragraph go over until 10 o'clock on Monday. If the correct interpretation is such as he gives it, I do not know that there would be any serious objection to it.

Mr. ALDRICH. I have suggested that if the paragraph is now agreed to, I shall go back to it and myself ask to have it reconsidered if there is subsequently any objection to it.

Mr. BROWN. I will accept that assurance, if the Senator says that by request he will ask to have the amendment reconsidered.

Mr. ALDRICH. I will.

Mr. BEVERIDGE. At any time?

Mr. ALDRICH. At any time when it is reached.

Mr. BROWN. In the meantime, let the amendment be printed.

Mr. ALDRICH. Yes; it will be printed.

Mr. DANIEL. Mr. President, I ask to return to paragraph 647.

The VICE-PRESIDENT. The pending amendment has not yet been disposed of.

Mr. DANIEL. I thought it had, Mr. President.

Mr. NELSON. Mr. President, I rise to say a few words about the amendment. This amendment is of a piece with the provision that was contained in the House bill with reference to the lumber schedule. The effect of it is practically to absolutely prohibit the importation of mechanically ground pulp from Canada. A good deal of the timber lands in Canada are known as "crown lands." That is the case in Ontario, and I am inclined to think it is in the other Provinces east of that. The Canadians do not sell the timber lands, but they simply sell a license or a permit to cut timber at a given rate for a given period; and those licenses or permits contain the restriction that the timber cut must be manufactured in Canada. If spruce timber is cut under such a permit, it has to be manufactured either into lumber or into pulp wood in Canada. The effect of this is practically to exclude the pulp of that country. It amounts to a prohibition and a restriction.

This amendment is even worse than the original provision in the bill as it passed the other House. If Senators believe in the idea of giving to the owners of forests of spruce timber suitable for paper making in this country a complete monopoly, and excluding the spruce-timber supply of Canada, this amendment will effect that purpose. If Senators believe that the paper mills in this country should have an opportunity, where it is convenient, to secure Canadian wood pulp in order to enable them to get cheaper raw material and to some extent conserve our forests, they ought to vote against this amendment. It is one of the most dangerous amendments in the entire bill.

Mr. ALDRICH. Mr. President, the Senator from Minnesota evidently does not understand either the purport of the amendment or its effect.

Mr. NELSON. I think I do understand it.

Mr. ALDRICH. I think not. I am sure the Senator does not understand it. There is no prohibition against the importation of pulp into the United States at all. The substitute provides for the importation of this article into the United States free of duty, unless Canada or any other country imposes unreasonable restrictions upon the exportation of wood pulp.

Mr. NELSON. If the Senator will allow me, suppose the Canadian government requires that timber cut on crown lands shall be manufactured into wood pulp in that country; is not that a restriction?

Mr. ALDRICH. That would be a very unreasonable restriction, in my judgment, on the exportation of wood pulp. In that

case they would have to pay one-twelfth of a cent a pound additional. There is no prohibition about it.

Mr. NELSON. That is the amount of duty they would have to pay?

Mr. ALDRICH. As duty they would pay two-twelfths of 1 cent a pound, or one-sixth of a cent a pound in case they prohibited the exportation of logs from the Dominion of Canada.

Mr. HEYBURN. That is the penalty?

Mr. ALDRICH. One-twelfth of a cent is the penalty.

Mr. NELSON. I want to say to the Senator that there is no prohibition in the Canadian law. Logs are free under the Canadian tariff law. The law only relates to lands that are owned by the several Provinces that are known as "crown lands." When the government sells the right to cut timber on those lands a condition is inserted in the timber license or the permit that the timber cut must be manufactured either into lumber or pulp in that country. That is the restriction.

Mr. ALDRICH. And what we propose to do——

Mr. NELSON. And you have limited it so as to hit each and every one of those Provinces.

Mr. ALDRICH. Mr. President, we have simply said to them, "If you do not impose unreasonable restrictions upon the exportation of logs or pulp to the United States, we will admit the Canadian ground wood pulp into this country free; but if you do impose unreasonable restrictions or prohibitions upon the exportation to the United States, then you must pay a penalty of an additional duty equal to one-twelfth of 1 cent a pound." There is no prohibition about it at all. They simply pay the penalty of their own unreasonable treatment of the United States.

Mr. NELSON. Is that an unreasonable condition where they sell the right to cut timber at a reasonable figure, and say, "If you cut timber on our lands, we want you to manufacture that timber in this country?"

Mr. ALDRICH. Well, it is unreasonable, so far as we are concerned; and it makes no difference to us whether that prohibition is made by a Province which is under the control of the Dominion government or made directly by the Dominion government. It makes not the slightest difference in its effect upon us. If the Provinces of Canada can legislate against the interests of the United States in that particular, they may legislate against the interests of the United States in every particular. They may prohibit the exportation of wood of all kinds, or they may prohibit the exportation of any other article to the United States that we are now buying from Canada. If you allow this subterfuge of getting behind the right of a Province to do things which we hold the Dominion of Canada responsible for, there will be no limit to what may be done in that direction.

Mr. CRAWFORD. Mr. President——

The VICE-PRESIDENT. Does the Senator from Rhode Island yield to the Senator from South Dakota?

Mr. ALDRICH. I do.

Mr. CRAWFORD. Mr. President, will not the penalty really be paid after all by the American people? For instance, if an export duty is imposed by Canada upon an article that we must have, and then we turn around for the purpose of punishing them and impose a retaliatory duty, are we not fining ourselves, and will not the penalty rest upon the American people?

Mr. ALDRICH. That would undoubtedly be true if it was a necessity to import these articles from Canada; but the contention which I made yesterday, and which I believe to be correct, is that we have in this country available timber for the production of all the wood pulp and all the paper that the people of the United States desire. We are simply asking them, in a persuasive way, to remove unreasonable restrictions which they are placing upon the export of articles to the United States.

Mr. CRAWFORD. Mr. President——

The VICE-PRESIDENT. Does the Senator from Rhode Island yield to the Senator from South Dakota?

Mr. ALDRICH. I do.

Mr. CRAWFORD. Mr. President, one reason why I voted for the $4 rate upon this article was that a condition of things existed, such as was disclosed by the distinguished Senator from Wisconsin [Mr. LA FOLLETTE], which indicated, even though we put the duty at $4, spruce wood was becoming so scarce and the supply so far removed from the mills that by the year 1912 the Wisconsin mills would be compelled to abandon the manufacture of print paper. It also appears that wood pulp is being imported. The Senator from Maine spoke about the rate of $4 a cord that they had to pay on the importation of the wood to mills in Maine. So we are dependent upon the spruce in Canada, to a large extent, and are compelled to import wood pulp. If that be true, when we undertake to impose a penalty upon Canada for imposing an export duty, who will pay that penalty? It seems to me that, necessarily, the manufacturer of print paper in the United States will pay it, and that we are simply, through this provision, imposing a penalty upon ourselves.

Mr. ALDRICH. Mr. President, if the premises of the Senator from South Dakota were correct, his deductions would undoubtedly be correct; but the amount of pulp wood which is imported from Canada, compared with the total consumption in the United States, and compared with the total amount that is available in the United States, is a negligible quantity.

Mr. BROWN. Mr. President——

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

Mr. ALDRICH. I do.

Mr. BROWN. The Senator from Rhode Island, I presume, does not want to be understood as saying that the importation of more than one-third of the wood that is used in our paper mills is a negligible quantity. That was the amount which was imported last year.

Mr. ALDRICH. I said with reference to the supply of the United States which is available for the purposes of making paper. I think that statement is correct.

Mr. BROWN. That statement is contradicted by all the testimony. It is testified that we have not enough spruce in this country to last over twenty years; and, assuming that only two-thirds of that is used in paper making now——

Mr. ALDRICH. I do not know what the Senator from Nebraska calls "testimony."

Mr. BROWN. I mean the testimony that was sworn to and reported by the legislative committee that gave the legislative bodies of this country all the evidence that was taken.

Mr. ALDRICH. There has been no testimony given upon that subject in that direction which satisfies me that there is any force in it whatever. I am perfectly satisfied that there is wood enough in the United States to supply the paper demand in this country indefinitely.

Mr. CLAPP. Mr. President, I had intended to say a word in regard to this amendment and the amendment which I suppose is to follow with reference to the paper itself. I think the committee have improved the amendment, if they have broadened it so as to make the entire Dominion government responsible for the action of its Provinces; but, at the same time, I very much fear that the plan in the mind of the committee is not a plan that can be made successful. We occupy a very peculiar relation to Canada.

While it is true that we have large quantities of pulp wood in this country, it is equally true that that wood costs more; it is not as plentiful and is not as cheap as Canadian pulp wood. That is one reason why, at least, some of us recognize the necessity of giving a duty for the time being to the paper industry. I voted for that with the firm conviction that it will be only a little while until the American print-paper mills will have to change their process and abandon the making of print paper, because I do not believe, in the long run, that they can maintain themselves against the advantages which Canada has in that respect, unless they may be able to find something else out of which cheaply to make print paper. For that reason I voted for the amendment.

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 think I yielded to the Senator from Minnesota.

Mr. CLAPP. The Senator yielded to me.

The VICE-PRESIDENT. The Senator from Rhode Island did yield to the Senator from Minnesota.

Mr. ALDRICH. I was going to say, in answer both to the Senator from Minnesota [Mr. CLAPP] and the Senator from South Dakota [Mr. CRAWFORD], that it is very evident from public declarations that it is the purpose of Canada to extend the prohibition, which is now applicable in Ontario, to other Provinces, especially to the Province of Quebec, which is the principal exporter of wood to the United States. Those Senators must see that the prohibition of the exportation of spruce or other logs for paper use or for pulp use is inevitable. So that the argument of both Senators that we shall be paying the penalty ourselves by putting on these provisions does not apply. The prohibition upon wood, which the Senator from Nebraska [Mr. BROWN] is so desirous of having come from Canada, is almost certain, so that wood will not come here. What we say to Canada is, "If you will not let your wood come here"—and according to the contention of both Senators, it is desirable and necessary that it should come for our paper mills—"if you will

not let your paper come here, you must pay a little higher duty upon pulp and upon paper." That is the whole proposition.

Mr. CLAPP. Mr. President, without certainly meaning any sarcasm—for I believe the American public are confronted with a serious proposition in their trade relations with Canada—it still does seem to me that we are cutting off our nose to spite our face. If Canada prohibits the exportation of an article, certainly the imposition by the American Government of a duty will cut no figure, because——

Mr. ALDRICH. Mr. President——

Mr. CLAPP. Just a moment, if the Senator will permit me, so that I may finish that one suggestion, although I admit I am on the floor by his courtesy. The imposition of a duty would cut no figure. If, instead of prohibiting the exportation, they simply put on an export duty, which adds to the cost of it—still, if we are to use that at all, the addition of an import duty upon our part would simply add to the burden of our own people. It seems to me that we are there confronted with a proposition where we are not even candid with Canada, and we can not meet her with that kind of legislation.

Mr. ALDRICH. The Senator from Minnesota, from my standpoint, does not quite appreciate the purpose and effect of the amendment. He is speaking of logs as though we were putting a duty on logs to prevent the making of a prohibition in Canada against their exportation; but that is not the purpose. We are simply saying to Canada: "If you refuse to allow logs or pulp wood to be sent to the United States at all"—there is no question here about a duty on either—"if you refuse to have logs and pulp wood sent to the United States at all, then, if you send the products of your own logs to the United States, you must pay a little higher rate of duty upon the products"—not upon the logs. It does not touch the question of pulp wood or of wood at all; it is not a question of wood. If they say they will not send any spruce to the United States, which the Senator from Minnesota and the Senator from Nebraska say it is necessary for us to have for use in the mills of the United States, then they pay a little higher duty on the products of that wood when manufactured in their own country. It strikes me that that is not a proposition which is an unfair one. We do not propose to put a prohibition upon either pulp or upon paper or any of the products of wood. We simply say, "You will pay a little higher duty if you do that."

Mr. CLAPP. I understand that, and stated that, in this connection, I was dealing with the question involved in both these paragraphs of the bill. Canada can only avail herself of the right to say that she will either prohibit or tax exportations upon the ground that she has those products cheaper than we have; otherwise, to attempt to prevent their exportation would be an absurdity. That is where Canada has the advantage of us in this matter. Canada says, "We shall prohibit the exportation of pulp or pulp wood." We say, "If you do that, we will probihit the importation of your paper."

Mr. ALDRICH. Oh, no.

Mr. CLAPP. Before we get through we do.

Mr. ALDRICH. Oh, no; we do not. We simply say, "You will pay a little higher duty."

Mr. CLAPP. Exactly. I understand that.

Mr. ALDRICH. And the higher duty is a duty which is less than the average revenue duty imposed by this bill.

Mr. CLAPP. That may be, Mr. President, but we have to get right back to the proposition that we have fixed a duty upon print paper which we believe, especially in view of the exigencies of the situation, is a protective duty upon American print paper. If we go beyond that, we go beyond the limit of a protective duty; and while we attempt to punish Canada for prohibiting or taxing the exportation of her wood and pulp, the only way we get at it is, in the last analysis, by adding to the cost that we pay for our own paper.

Mr. ALDRICH. Mr. President, I still think the Senator is mistaken about this provision. Let me recall it to him again in detail.

We will assume that it is desirable to have the logs and pulp wood imported from Canada to the United States; we will assume that the Senator from Nebraska is correct, that the Senator from South Dakota is correct, that the Senator from Minnesota is correct, and that it is desirable to continue the importation of wood from Canada into the United States. We are confronted with the proposition that a prohibition will be established against sending any wood to the United States. We say to Canada, "If you remove your prohibition against the importation into the United States, or the exportation to the United States, of wood and logs, we will admit mechanically ground wood pulp free into the United States; but if you insist upon that prohibition, we ask that you shall pay an additional duty; if you are going to try to force into Canada this business of producing pulp, then we ask you to pay a little higher duty when these goods are brought into the United States," amounting, as I have said, in the aggregate to only one-sixth of a cent a pound, which is less than the average of the "revenue duties," so called, imposed by this bill. That is all there is in this provision except this—and that was the House proviso, and it is in the existing law—if they pay an export bounty on pulp, as they are doing indirectly to a certain extent, that the amount of the export bounty shall be added to the duty. That is all there is to it. This is a provision for reciprocity of treatment; you might say a retaliatory provision, if you please, in which we simply say to Canada, "If you will not continue to allow logs to come to the United States; that is, if you insist upon your prohibition, you then must pay, not an additional duty upon logs, but upon the products which you are trying to force us to use from Canada;" and we only make a very small penalty in the way of a retaliatory duty.

Mr. CLAPP. Mr. President, the point I am making is that we can not——

Mr. NELSON. Mr. President——

The VICE-PRESIDENT. Does the junior Senator from Minnesota yield to the senior Senator from Minnesota?

Mr. CLAPP. With pleasure.

Mr. NELSON. I want to explain to the Senator before he proceeds that in this matter the Canadian government is utterly powerless. The Dominion of Canada has a tariff law of its own. That tariff law does not interfere with the different Provinces in the management and disposal of their public lands. A Province in the Dominion of Canada is like a State in this Union. Those Provinces own what are called "crown lands." Instead of selling the fee of those crown timber lands, they simply sell the timber rights or sell licenses to men who purchase the right to cut the timber; and those crown licenses from the different Provinces contain these conditions. That is a right that belongs to each Province and the Canadian government is utterly powerless regarding it. It is a matter of contract. It would be as powerless as our Government would be if the State of Minnesota—and the State of Minnesota has considerable timber land in its domain—were to sell me a license right to cut timber on a section of land on the condition that that timber should be manufactured in the State of Minnesota into either lumber or pulp wood. Our federal tariff law could not affect that or interfere with it.

Mr. ALDRICH. That is where the Senator is very much mistaken.

Mr. NELSON. In this instance we are attempting to inject into the law a penalty against the Canadian government for something the Canadian government as a government is entirely powerless to remedy. It is a matter that reaches to the different Provinces.

Mr. CLAPP. Mr. President, while that is all——

Mr. BEVERIDGE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Minnesota yield to the Senator from Indiana?

Mr. BEVERIDGE. I merely want to ask the Senator from Minnesota——

Mr. ALDRICH. I think I have the floor.

The VICE-PRESIDENT. The Senator from Rhode Island has the floor.

Mr. ALDRICH. I think I will have to resume the floor for the purpose of answering the last suggestion of the Senator from Minnesota [Mr. NELSON].

Mr. BEVERIDGE. Before the Senator does that, with the permission of both Senators, I should like to ask the Senator from Minnesota, merely as a lawyer, whether or not he suggested that any State in this Union could put an export duty on anything.

Mr. ALDRICH. Or an export prohibition?

Mr. BEVERIDGE. Certainly; they could put a prohibition on it if they could put an export duty.

Mr. NELSON. There is no export duty, if the Senator will allow me. It is simply a condition that the timber shall be manufactured there. The Provinces have no right to levy an export duty.

Mr. BEVERIDGE. Of course not. I go further than that. Does the Senator say that a State, as a legal proposition, could in anywise directly or indirectly prohibit the exportation of any of its products not only to another State but to a foreign country? I agree with the Senator on his main proposition, as I understand it; but upon this legal proposition I do not think the Senator from Minnesota would perhaps want that to go as broadly as he stated it.

Mr. ALDRICH. The Imperial British Government, of course, controls in the last analysis the legislation of the Dominion of Canada.

Mr. BEVERIDGE. Oh, no.

Mr. ALDRICH. They have the right to do it.

Mr. BEVERIDGE. The British Parliament?

Mr. ALDRICH. They certainly——

Mr. BEVERIDGE. To control the legislation?

Mr. ALDRICH. Not to control legislation, but to legislate for Canada, if they see fit.

Mr. BEVERIDGE. The Senator had better think that over.

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

The VICE-PRESIDENT. To whom does the Senator from Rhode Island yield?

Mr. ALDRICH. I will not raise that question. I can see that I am getting into a subject on which I would differ with many lawyers in the Senate, and I do not intend to get into that kind of a discussion; but I do say that in dealing with the Dominion of Canada we have to deal with the Dominion government. We make our tariff with reference to the Dominion government; and if any part of the Dominion of Canada does anything that is against our interests, we have a right to retaliate, if we see fit.

Mr. SMITH of Michigan. Now, Mr. President, on that point——

Mr. ALDRICH. We are bound not to deal with the Provinces; we have no authority to deal with the Province of Ontario and the Province of Quebec——

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

The VICE-PRESIDENT. To whom does the Senator from Rhode Island yield?

Mr. ALDRICH. I yield, first, to the Senator from Michigan.

Mr. SMITH of Michigan. On that particular point I desire to interrogate the Senator. This limitation is intended to apply either to the Dominion government or any subdivision of that government?

Mr. ALDRICH. Oh, no; we deal entirely with the Dominion government on this proposition.

Mr. SMITH of Michigan. I understand that you hold the Dominion primarily responsible, but you also say that if any subdivision imposes any license or restriction, for the time being, and in that particular case, the additional duty must be added.

Mr. ALDRICH. We do not say that. We say we will hold the Dominion responsible for it; that is all.

Mr. SMITH of Michigan. What I desire to ask the Senator is this: Does he believe that this substitute will encourage the importation of pulp wood into this country without duty?

Mr. ALDRICH. That is the purpose of it.

Mr. SMITH of Michigan. That is the purpose?

Mr. ALDRICH. That is all; and we offer them inducements in the direction of free pulp.

Mr. SMITH of Michigan. This question suggests itself to me: The Senator from Minnesota says that some Province or some subdivision holding crown lands may put an export duty or license fee upon the exported article.

Now, that could not inure to the advantage of that subdivision or Province, because any export duty that was to be realized from the exportation of this product must find its way into the general Dominion treasury, and not into the treasury of the Province imposing the restriction. Therefore, as a subdivision could not profit by a restriction, and could find a market for its product, I can not believe that it would not act in harmony with the Dominion government.

I desire to make it easy to supply pulp wood to the paper manufacturers of this country, for the purpose of retaining the manufacture here. The diminishing supply of material suitable for that purpose is recognized by everyone. It is recognized even by the Senator from Rhode Island in his substitute, and the desirability of enlarging the field from which to draw this material is impressed upon us all. Therefore, if the effect of this substitute is to make it easy for paper manufacturers to get the pulp wood free, I desire to see it ratified.

Mr. ALDRICH. That is certainly the purpose of the committee.

Mr. SMITH of Michigan. I hardly think——

Mr. HEYBURN. I desire to know——

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

Mr. ALDRICH. I do.

Mr. HEYBURN. The question raised, which has been somewhat overlapped now, is whether we might deal with or consider a Province rather than the Dominion. The Dominion of Canada is not restricted in the passage or enactment of special laws. She gives some of her Provinces the right to impose restrictions and duties that she does not give to others. That is the condition of the law to-day. So, under our treaty relations we can not deal with the Provinces at all. We must deal with the Dominion, and we only do that by virtue of the consent of the general government.

Mr. SMITH of Michigan. I agree entirely with the statement of the Senator from Idaho, which has been perfectly clear and plain to me from the beginning.

Mr. HEYBURN. It eliminates the question as to what the separate Provinces may——

Mr. SMITH of Michigan. No.

Mr. HEYBURN. May desire to do.

Mr. SMITH of Michigan. But I had in mind above and beyond what appears on the surface of this amendment the question whether we were approaching it in a manner best calculated to give us this pulp wood free. Upon that question I have some doubts.

It seems to me if we were to carefully consider with the representatives of the Canadian government this entire proposition, we would be much more likely to get an amicable arrangement than by an apparent retaliatory or threatening method which involves possible difficulty with the local governments of Canada.

Mr. ALDRICH. The Senator will excuse me here. If I was certain that all these questions would be taken up by the President under the maximum and minimum provisions which the committee have adopted and hope the Senate will adopt, I certainly would be in favor of removing all these duties. But the trouble is, I am not certain whether the prohibition on exportations, applicable, of course, to all countries, would be held by the President of the United States to be unduly discriminatory against the interests of the United States. That is the whole proposition. If the lawyers of the Senate are able to assure me that that question could and would properly come up under the maximum and minimum provisions, I certainly should prefer that we should go into negotiations with the Canadian government rather than to adopt specific retaliatory duties under this act.

Mr. CLAPP. I suggest to the Senator that while I think there is a great deal of force in his position in reference to any proposed or present language, I do not see why that language could not be so modified and framed as to authorize the President to meet the conditions presented here.

Mr. ALDRICH. Possibly we might say in this provision that if the President of the United States finds that the action of the Canadian government is unduly discriminatory, these duties shall be imposed. The committee have no purpose in this except to do whatever the Senate desires to do; that is, to continue the importation into the United States of logs and pulp wood without restriction.

Mr. CLAPP. That is exactly what I desire to discuss whenever I can get the floor.

Mr. ALDRICH. Perhaps, under the circumstances, I had better let this amendment go over and allow it to be printed.

Mr. BROWN. I wish the Senator would do that.

Mr. ALDRICH. I will do it. I imagine that is the best way to limit the discussion.

Mr. BRISTOW. Let me understand now. This goes over, and the amendments will be printed.

Mr. ALDRICH. It goes over to be printed both in the RECORD and as an amendment.

Mr. BRISTOW. It will not be taken up now?

The VICE-PRESIDENT. The Senator simply withdraws the amendment.

Mr. ALDRICH. No; I do not. I offer it.

The VICE-PRESIDENT. It goes over for the present.

Mr. ALDRICH. It will be printed as an amendment and in the RECORD.

The VICE-PRESIDENT. It goes over subject to be called up by the committee.

Mr. ALDRICH. The committee have some other amendments. These amendments do not apply to the paper question at all. That is, they do not apply to this particular question.

Mr. DANIEL. Mr. President——

Mr. ALDRICH. I yield to the Senator from Virginia.

Mr. DANIEL. On page 213, paragraph 647, there are various provisions putting upon the free list certain articles, as follows:

Philosophical and scientific apparatus, utensils, instruments, and preparations, including bottles and boxes containing the same, specially imported in good faith for the use and by order of any society or institution incorporated or established solely for religious, philosophical, educational, scientific, or literary purposes, or for the encouragement of the fine arts, or for the use and by order of any college, academy, school, or seminary of learning in the United States, or any state or public library, and not for sale, subject to such regulations as the Secretary of the Treasury shall prescribe.

I move to insert the words "any city or," so that it will read:

For the use and by order of any city or any college, academy, school, or seminary of learning in the United States, or any state or public library, and not for sale, subject to such regulations as the Secretary of the Treasury shall prescribe.

The VICE-PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Virginia.

The amendment was agreed to.

Mr. ALDRICH. In paragraph 405 the committee suggests, in line 25——

The VICE-PRESIDENT. The Chair suggests to the Senator that the committee amendments reported in that paragraph have not yet been agreed to. The Chair refers to those printed in the bill.

Mr. ALDRICH. I ask that they be agreed to.

The VICE-PRESIDENT. They will be stated.

The SECRETARY. On page 157, paragraph 405, line 15, after the word "paper," insert, within parentheses, the following words:

Other than paper commercially known as handmade or machine handmade paper, japan paper, and imitation japan paper, by whatever name known.

The amendment was agreed to.

The SECRETARY. In line 19, after the word "bindings" and the comma, insert "not specially provided for in this section."

The amendment was agreed to.

The SECRETARY. In line 24, before the word "of," strike out "two-tenths" and insert in lieu thereof "three-tenths."

The amendment was agreed to.

Mr. ALDRICH. The next amendment is to strike out the word "three," in line 25, and insert the word "four." The effect of that will be to reduce the duty on paper between 3 and 4 cents from six-tenths to five-tenths.

The amendment was agreed to.

Mr. ALDRICH. Now strike out the next bracket, "valued above 3 cents and not above 4 cents per pound, six-tenths of 1 cent per pound." That goes out entirely.

The SECRETARY. On page 157, line 26, after the words "per pound" and the semicolon, strike out the words "valued above 3 cents and not above 4 cents per pound, six-tenths of 1 cent per pound."

The amendment was agreed to.

The SECRETARY. The next amendment printed in the bill is on page 158, line 6, to strike out the words "other subdivision of government" and insert "any subdivision thereof."

The amendment was agreed to.

The SECRETARY. In line 10 strike out the words "other subdivision of government" and insert in lieu——

Mr. ALDRICH. In line 7, after the word "shall," insert the words "directly or indirectly."

The amendment was agreed to.

Mr. ALDRICH. In line 12 after the word "of," insert the word "logs" and a comma.

The amendment was agreed to.

Mr. ALDRICH. In line 12, after the word "of," insert the word "logs."

Mr. NELSON. Those amendments are in line with the other amendments?

Mr. ALDRICH. We have not reached the point where there is a difference of opinion between the Senator from Minnesota and the committee. I suppose the Senator does not object to inserting the word "logs?"

Mr. BEVERIDGE. They are subject to reopening, anyhow.

Mr. ALDRICH. Yes; these amendments are only formal. The real amendments—the substantive amendments—will come later on, and they will go over and be considered in connection with paragraph 402. But these amendments simply change the phraseology.

Mr. NELSON. The paragraph will not be acted upon now?

Mr. ALDRICH. In reference to these retaliatory provisions——

Mr. BRISTOW. The only difference between these amendments and that proposed in the former paragraph is that that applies to higher-priced paper. The effect is just the same, is it not?

Mr. ALDRICH. I do not understand the question.

Mr. BRISTOW. The amendment to the paragraph that went over virtually prohibited the importation of wood pulp to certain mills in the United States. That would have been the effect of it.

Mr. ALDRICH. The Senator assumes a purpose and an effect to which the committee do not agree.

Mr. BRISTOW. I should have expressed myself differently. The effect would be to prevent certain mills in the United States from getting pulp in Canada with which to run their mills.

Mr. ALDRICH. There an assertion and a question are mixed together. If the Senator will put his question——

Mr. BRISTOW. I am perfectly willing to stand by the assertion if the committee——

Mr. ALDRICH. The committee disagree with that.

Mr. BRISTOW. Doubtless. But it has the same effect as that which relates to these higher-priced papers; and I should like for this paragraph to go with the other.

Mr. ALDRICH. I do not know what the Senator means by higher-priced papers.

Mr. BRISTOW. I mean paper higher priced than in the other paragraph.

Mr. ALDRICH. No papers at all are referred to in the other paragraph.

Mr. BRISTOW. It is the same thing, and it has practically the same effect. This is a higher grade of paper.

Mr. ALDRICH. The Senator may desire to obscure the issue, but I do not know——

Mr. BRISTOW. It may be, but the effect of this legislation is not obscure to those who understand it.

Mr. CLAPP. It does seem to me that the suggestion of the Senator from Kansas has weight with reference to the suggestion that this idea or plan of imposing a retaliatory duty shall go into an amendment, to be printed and lie over.

Mr. ALDRICH. That is what I have stated as definitely and as plainly as I could. I am only saying that these amendments which we have already acted upon are amendments to the phraseology, and do not affect the general question.

Mr. CLAPP. It seems to me that it does affect it. [Reading:]

That if any country, dependency, province, or any subdivision thereof shall impose an export duty or other export charge of any kind whatsoever upon pulp wood, wood pulp, or printing paper exported to the United States, or if any country, dependency, province, or any subdivision thereof forbids or restricts the exportation of pulp wood, wood pulp, or paper to the United States in any way, there shall be imposed upon printing paper, when imported, either directly or indirectly, from such country, dependency, province, or any subdivision thereof, an additional duty.

That is the very question we have been discussing.

Mr. ALDRICH. I must have been very unfortunate in the use of language if I did not bring to the attention of the Senator from Minnesota that when those particular sentences were reached I intended to let them go over.

Mr. CLAPP. It seems to me if that statement had been made to the Senator from Kansas it would have cleared the whole matter.

Mr. ALDRICH. I made it three or four times. I am not responsible for the understanding of every Member of the Senate; but I certainly made the statement that I intended to let this go over.

Mr. BEVERIDGE. Then, everybody does understand that now.

Mr. ALDRICH. I hope so.

Mr. BEVERIDGE. I suppose that disposes of this schedule.

Mr. ALDRICH. There is a pending amendment putting in the word "logs" before the word "pulp."

Mr. BEVERIDGE. That is subject to the same understanding?

Mr. BRISTOW. Mr. President——

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

Mr. ALDRICH. I do.

Mr. BRISTOW. Do I understand that this paragraph is to go over?

Mr. ALDRICH. Not this paragraph, but the portion of it which refers to these retaliatory provisions after being amended.

Mr. BRISTOW. How can they go over without the paragraph going over?

Mr. ALDRICH. They can go over easily enough. There is no trouble about a portion of the paragraph going over. Certain provisions have been voted in. I do not intend to have them open.

Mr. BRISTOW. I understand this provision is before the Senate for any amendment.

Mr. ALDRICH. It is. Any amendment is in order now.

Mr. BRISTOW. And the Senator from Rhode Island has offered certain amendments?

Mr. ALDRICH. I have offered committee amendments to the phraseology, and I have stated that after the amendments are made I am willing that the proviso to the paragraph contained on page 158 shall go over for subsequent consideration.

Mr. BRISTOW. I understand that a part of the paragraph can not go over without the whole paragraph going over.

Mr. ALDRICH. Certainly it can; there is no trouble about that. If the Senator has any amendment to offer to the preceding clauses of the paragraph, it is in order now.

The VICE-PRESIDENT. In the meantime the paragraph as a whole has not been agreed to.

Mr. ALDRICH. That is right.

Mr. BRISTOW. That is satisfactory. The reason I make these inquiries is because I understand that these amendments now being offered by the Senator from Rhode Island increase the duty on all the paper referred to in this paragraph.

Mr. ALDRICH. The proviso has a provision, as it came from the House, that under certain circumstances the rates upon certain classes of paper—print paper, for instance—should be increased. That is a provision which came from the House, and that provision I am willing should go over. But the other provisions can not go over—that is, as to the rate—unless a reconsideration is had in the Senate. I think the Senator——

Mr. BRISTOW. I may not understand, but I thought the paragraph was before the Senate and had already been reconsidered.

Mr. ALDRICH. The provision is before the Senate, but the Senate itself has adopted the rates, but has not adopted the proviso, and the proviso will be open and the rates will not be. That seems to be perfectly plain.

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

The amendment was agreed to.

The VICE-PRESIDENT. There are four other amendments printed in the bill.

Mr. ALDRICH. I do not ask to have those adopted now, as the proviso will go over, to be considered in connection with paragraph 402.

Mr. BEVERIDGE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Rhode Island yield the floor?

Mr. ALDRICH. That completes the paper schedule, with the exception of the provisos.

Mr. BEVERIDGE. When the Senator gets through with the proviso I desire——

Mr. ALDRICH. The Senate is through with the paper schedule, with the exception of those two provisos. I have another——

Mr. BEVERIDGE. Go ahead. I have no desire——

Mr. ALDRICH. I am afraid I shall not get through with all these amendments. The other schedules——

Mr. BEVERIDGE. I mean the paper schedule.

Mr. ALDRICH. No more as to paper.

Mr. BEVERIDGE. If the bill is in the Committee of the Whole and open to amendment, I call the attention of the Senator from Rhode Island to paragraph 194 and specifically direct his attention to the subject of cash registers and would like to know——

Mr. BURTON. We are unable to hear what paragraph it is.

Mr. BEVERIDGE. Paragraph 194.

The VICE-PRESIDENT. Page 68.

Mr. BEVERIDGE. Page 68. I should like to know whether the Senate or House committee made any investigation of the subject of cash registers?

Mr. ALDRICH. I will say for the Finance Committee that we have not.

Mr. BEVERIDGE. I thought so.

Mr. ALDRICH. And so far as I know no investigation was made by the House.

Mr. BEVERIDGE. Then upon that statement I will move to amend paragraph 194 as follows, by inserting, after the words "Cash registers," the words "15 per cent ad valorem," so as to take cash registers out of the ad valorem for the remainder of the paragraph.

I think the Senator from Rhode Island and the Finance Committee will doubtless accept this amendment. Indeed, I think the undenied and undeniable facts would justify putting cash registers on the free list. The cash-register monopoly is perhaps one of the most curious monopolies that have grown up in the country. I dislike to use that word, because I know the improprieties that are often committed in using it. But in this case the evidence seems to show that it is entirely justified; and I was satisfied that the Senator from Rhode Island had not, nor the House committee either, investigated the facts, but that merely for purposes of classification had taken cash registers out of the unclassified list of manufactures of machinery not otherwise provided for, and for the purpose of better classification had put them in 194.

The duty is now, under the old classification, 45 per cent. This bill makes it, I believe, 30 per cent. Am I correct?

Mr. ALDRICH. Yes.

Mr. BEVERIDGE. I propose to reduce it to 15 per cent, and in view of the facts which I shall lay before the Senate in the space of about five minutes, I think all will agree that it might well go on the free list, though I am not going to ask that.

Mr. President, every storekeeper of every kind in every village, as well as every city in the whole Nation, now uses cash registers as a necessity of business. There have been 500,000 of these indispensable machines sold in this country at an expense to the American people of $75,000,000. The sales of this necessary commercial commodity amount to $10,000,000 a year; and as I shall demonstrate in a moment—and I use the word "demonstrate" advisedly—the American people are paying $5,000,000 more than the English people are paying to the same concern for the same machines.

Mr. ALDRICH. Is the manufacture of the article in the United States controlled by patents?

Mr. BEVERIDGE. The article is controlled, I think, by patents and by buying up patents. I will come to that in a minute. That would not make any difference. It might add to the reason for reducing the tariff.

If other countries were to imitate us, if they should do precisely as the Senator from Rhode Island has suggested this morning that which the Canadian policy is to be, and were to impose a duty at all comparable to ours at present, it would utterly ruin the foreign trade, even of this monopoly itself. The monopoly itself, while not an absolute one, is perhaps as complete a one as exists in the United States. I refer to the National Cash Register Company. This concern, in driving out competitors, in forcing them to the wall, not only in underselling them, but in the use of absolutely every device known to the science of crushing competition, has probably not been exceeded in the atrocity of its practices by perhaps any other similar concern in the country, unless it might be the Standard Oil Company, even if the things that are alleged about that corporation are true.

I hold in my hand a list of other cash-register machines and the places where, once, they were made, that this company has driven out of business. It has notoriously violated the Sherman antitrust law. The distinguished junior Senator from New York [Mr. ROOT] years ago, in the courts of New York, sued this concern, and was successful in that suit under the antitrust law. Since that time this monopoly has gone on applying every method that human ingenuity and a merciless rapacity could suggest, until to-day it is practically the sole manufacturer of these machines with perhaps one or two insignificant exceptions.

I ask permission to put into the RECORD the list of the firms which this concern has either forced to the wall or has forced into its arms.

The VICE-PRESIDENT. Without objection, permission is granted.

The matter referred to is as follows:

Cash registers now off the market.

	Place.
Acme	Brooklyn, N. Y.
Adams	New York, N. Y.
Aldrick	Dayton, Ohio.
Allman	Detroit, Mich.
American	Philadelphia, Pa.
Do	Wakefield, Mass.
Do	Syracuse, N. Y.
Anderson	Lakemills, Wis.
Atlantic	East Stroudsburg, Pa.
Automatic Money Changer	Chicago, Ill.
Badger	Plymouth, Wis.
Bensinger	Chicago, Ill.
Boring	Dayton, Ohio.
Boston	Northampton, Mass.
Buell	Chicago, Ill.
Bundy	Binghamton, N. Y.
Burt	Dalton, N. Y.
Capital	Troy, N. Y.
Do	Washington, D. C.
Bailey	Rockford, Ill.
Carrara	Do.
Twentieth Century	Do.
Cutter	Do.
Diamond	Do.
Casey	Jersey City, N. J.
Cash Indicator	Portland, Me.
Cash recorder	Toronto, Ontario
Cashier	Detroit, Mich.
Centigraph	New York, N. Y.
Century	Detroit, Mich.
Bostonian	Do.
Security	Do.
America	Do.
Puritan	Do.
Illinois	Do.
Hamilton	Do.
Columbia	Do.
Champion	Chicago, Ill.
Do	Springfield, Ohio.
Chicago	Chicago, Ill.
Clark	Cleveland, Ohio.
Cleasby	Hartford, Conn.
Cleveland	Cleveland, Ohio.
Coles	Owosso, Mich.
Columbia	Detroit, Mich.
Do	Binghamton, N. Y.
Do	Erie, Pa.
Do	New Haven, Conn.
Do	Miamisburg, Ohio.
Combination cigar and cash register	Chicago, Ill.

	Place.
Commercial	Albany, N. Y.
Continental	Detroit, Mich.
Do	Lynn, Mass.
Crawford's	Columbus, Ga.
Cuckoo	Detroit, Mich.
Denominational	Springfield, Ohio.
Detroit	Detroit, Mich.
Deveron	Chicago, Ill.
Diamond	Bethel, Conn.
Dominion	Montreal, Quebec.
Dreyfus	New York, N. Y.
Dunham	Williamsport, Pa.
Eagle	Milford, Conn.
Empire	Troy, N. Y.
Do	New York, N. Y.
Eureka cash and credit system	Scranton, Pa.
Fidelity	Springfield, Ohio.
Frick	Waynesboro, Pa.
Gem	Philadelphia, Pa.
Globe	Detroit, Mich.
Do	Greenfield, Ohio.
Greene	Chicago, Ill.
Guardian	Northboro, Mass.
Hamilton	Hamilton, Ont.
Hayden	Kansas City, Mo.
Hopkins & Robinson	Louisville, Ky.
Do	Do.
Hubinger-Carroll	New Haven, Conn.
Hume	Atkinson, Kans.
Ideal	Boundbrook, N. J.
Do	Chicago, Ill.
Imperial	Detroit, Mich.
Keystone	Chicago, Ill.
Kruse	New York, N. Y.
Kubec	Chicago, Ill.
Lamson	Lowell and New York.
Latimer	Detroit, Mich.
Leader	Lexington, Ky.
McCaskey	Alliance, Ohio.
McEwan	Detroit, Mich.
McGill	Washington, D. C.
Merchants'	Chicago, Ill.
Metropolitan	New York, N. Y.
Miles	Boston, Mass.
Monitor	Northboro, Mass.
Guardian	Do.
Perfect	Do.
Musical	Cincinnati, Ohio.
Natick	New York, N. Y.
Nelson	Chicago, Ill.
Newman	Lansing, Mich.
New York	New York, N. Y.
Osborn	Detroit, Mich.
Peerless	Do.
Perhacs	Brooklyn, N. Y.
Philadelphia	Philadelphia, Pa.
Pierce	Cincinnati, Ohio.
Pioneer V	Chicago, Ill.
President	Detroit, Mich.
Quantograph	Youngstown, Ohio.
Quigley & Mullen	Wilmington, Del.
Reid & Sharpe	Toronto, Ontario.
Reliable	Boston, Mass.
Rex	Toronto, Ontario.
Roberts	Harriman, Tenn.
Sebastian	Salem, Ill.
Standard	New York, N. Y.
St. Louis	Detroit, Mich.
Seymour	Do.
Simplex	Greenfield, Ohio.
Do	Columbus, Ohio.
Standard Key Machine	Orange, N. J.
Sun	Greenfield, Ohio.
Do	Columbus, Ohio.
Sharpe	Toronto, Ontario.
Star	Hartford, Ohio.
Do	Memphis, Tenn.
Toledo	Toledo, Ohio.
Do	Do.
Troy	Troy, Ohio.
Telephone	Atchison, Kans.
Tuerk's	Fulton, N. Y.
United States	Boston, Mass.
Do	Cincinnati, Ohio.
Do	Stoughton, Mass.
Do	Detroit, Mich.
Union	Trenton, N. J.
Universal	Greenfield, Ohio.
Do	Columbus, Ohio.
Universal Adding Machine	Cleveland, Ohio.
Universal	Lynn, Mass.
Do	Philadelphia, Pa.
Victor	Detroit, Mich.
Victorette	Do.
Weller	Do.
Williams	Pittsburg, Pa.
Worcester	Worcester, Mass.
World	Detroit, Mich.
Yale	Chicago, Ill.
Yonkers	Yonkers, N. Y.
York	Detroit, Mich.
Cash-register agents and second-hand dealers having been bought out by the National Cash Register Company.	
Ike Freeman	San Francisco, Cal.
Foss Novelty Company (Foss & Rost, proprietors)	Cleveland, Ohio.
Southern Cash Register Company (Delkin & Ladd, proprietors)	Atlanta, Ga.
Atlanta Cash Register Company (William Oldknow, proprietor)	Do.
Tuckhorn & Co	Chicago, Ill.
A. Thomas Cash Register Exchange	Do.
Fred. Brainen	New York, N. Y.
M. W. Lucy	Baltimore, Md.
C. J. Heinz	Dayton, Ohio.
Charles T. Walmsley	Chicago, Ill.
Norton Brothers	Minneapolis, Minn.
Minneapolis Cash Register Exchange (Edward Rexer, proprietor)	Do.
Western Cash Register Company (Mont Tennes, proprietor)	Chicago, Ill.
Grobet & Grobet	New York, N. Y.
Lippincott	Pittsburg, Pa.
Bockhoff & Miller	Indianapolis, Ind.

Mr. BEVERIDGE. So great is the enormity of its offenses that I predict the Federal Government itself will ere long take the proper steps for its prosecution under the statutes of the United States made and provided in such cases. Indeed, the facts which I have before me might perhaps better be laid before a court than before the Senate of the United States in the consideration of a tariff bill.

Coming to the tariff, I could not find in the tables that have been prepared by the committee nor in any other publication any statements of exports. So I wrote to the Treasury Department to find out whether any cash registers whatever were imported, and I will ask the Secretary to read the reply.

The VICE-PRESIDENT. The Secretary will read as requested, if there be no objection.

The Secretary read as follows:

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, June 5, 1909.

Hon. ALBERT J. BEVERIDGE,
United States Senate.

SIR: I have the honor to acknowledge the receipt of your letter of the 4th instant, requesting information concerning the imports of cash registers and for what purposes same are made.

In reply, I have to advise you that the records of the department do not, nor do the reports from the Bureau of Statistics of the Department of Commerce and Labor, show the importation into the United States of cash registers.

Respectfully,

J. B. REYNOLDS,
Acting Secretary.

Mr. BEVERIDGE. But, Mr. President, the extent of this export business, while it may not perhaps be exactly determined, may be judged of by the following table, which I shall take the time of the Senate to read, although I do not know that I ought, because I am satisfied the committee see the wisdom of this action. I have here a list of the prices at which this concern on May 22, 1909, were selling these machines to American storekeepers, to American business men, and the price at which they are selling the very same machines to the people doing the same business in England. When I read the startling differences in these figures, I want you to remember also that the English price includes freight, transportation, and insurance:

Style No. 451, American price, $250; English price, $135.

Style No. 452, American price, $300; English price, $150.

I will not take further time of the Senate by representing that price list, but will insert it in my remarks.

The list referred to is as follows:

Present American and English prices of National cash registers, May 22, 1909.

Style No.		Description.	American price.	English price, including transportation and insurance.	
451	91	5 bank detail strip printer	$250	$135	£27
452	95	5 bank detail strip and check printer	300	150	30
453	98	5 bank detail strip and sales slip printer	300	150	30
454	94	5 bank stub check printer	300	150	30
463	99L	5 bank detail strip and check, with number printer (L device)	325	175	35
462	99	6 bank detail strip and check printer	350	175	35
463	99½	6 bank detail strip and sales slip printer	350	175	35
464	98	6 bank stub check printer	350	175	35
465	99L	6 bank detail strip and check, with number printer (L device)	375	200	40
346	37½	27 key total adder, with tape	175	65	13
347	47½	do	175	65	13
348	65½	do	175	80	16
357		33 key total adder, with tape	200	80	16
366	49¾	37 key total adder, with tape	225	95	19
215	5	11 key detail adder	40	30	6
235	8	25 key detail adder	60	40	8
245	9	30 key detail adder	70	50	10
		Multiple drawer cabinets:			
		2 drawer counter cabinet	20	10	2
		3 drawer counter cabinet	40	20	4
		4 drawer counter cabinet	60	30	6
		5 drawer counter cabinet	80	40	8
		6 drawer counter cabinet	100	50	10
		2 drawer floor cabinet	40	20	4
		3 drawer floor cabinet	60	30	6
		4 drawer floor cabinet	80	40	8
		5 drawer floor cabinet	80	40	8
		6 drawer floor cabinet	100	50	10
		9 drawer floor cabinet	160	80	16
		Electric motors, direct or alternating current; any voltage from 110 to 250	50	25	5

Mr. GALLINGER. I will ask the Senator——

Mr. BEVERIDGE. It is absolutely correct.

Mr. GALLINGER. What is his authority for it? That is all I wanted to know.

Mr. BEVERIDGE. The Senator may judge for himself. There is a photographic reproduction of the price list [exhibiting].

Mr. GALLINGER. I am not questioning it at all, but I simply wanted to know the authority.

Mr. BEVERIDGE. I was going to show this to the Senate. It has been taken from price lists published by the National Cash Register Company here and abroad at the same time.

Mr. GALLINGER. That would seem to be satisfactory.

Mr. BEVERIDGE. In fact, I think I will pass it around the Senate in case anyone is curious. These are photographic reproductions with the dates and everything. You see that they are the same machines and described as the same machines, the English price and the American price.

Mr. LODGE. Is that also covered by patents?

Mr. BEVERIDGE. I do not know whether they are covered by patents or not in England. I assume they are.

Mr. LODGE. I mean here.

Mr. BEVERIDGE. Here they are covered by patents and renewals, but whether the original patent has expired I do not know. My purpose is to call attention to the fact, because I am sure I know the Senator's statement showed that it was an oversight of the committee in merely making a better classification to put a duty of 30 per cent on these machines. I think they ought to go on the free list, but I am willing to reduce them to 15 per cent from 45 per cent, as they are at present, and from 30 per cent, as they are under the Senate bill. I point out to Senators the dangers to the trade, even if there was not any other concern that was struggling to get on its feet in this country. If we wanted foreign trade, and foreign countries should treat their tariff as we have done with ours in this case, they could utterly destroy any foreign trade that attempted to do a cash-register business in their countries.

Mr. BURKETT. May I ask the Senator a question?

Mr. BEVERIDGE. Certainly.

Mr. BURKETT. Does the Senator know whether they have a factory in any foreign country besides the one here?

Mr. BEVERIDGE. No; they have not.

Mr. BURKETT. Some of our manufacturers, I will say, have.

Mr. BEVERIDGE. This concern has not.

Mr. BURKETT. That would make some difference in the price.

Mr. BEVERIDGE. I think they intend to build one in England, but they have none there now. They are selling these machines abroad which they make here; and they are selling them there at half the American price. I hope, after the Senator from New Hampshire gets through, the Senator from Nebraska will look at this photographic reproduction of their price lists.

I want to say one word, because I do not want anybody to think that in this case the process of selling abroad cheaper than at home is like those justifiable cases where that is done—cases which furnish no reason for reducing the tariff in such cases. I think I pretty thoroughly understand why it is necessary sometimes for manufacturers to get rid of the surplus of their product, to sell abroad cheaper than they do at home. The manufacturers of every country in the world do that. But this is no such case. I submit, with the suggestions and the facts I have laid before the committee, the advisability of accepting the amendment. I am sure it was only a classification as the Senator suggests.

Mr. BURTON. Has the Senator from Indiana concluded?

Mr. BEVERIDGE. I have, for the present.

Mr. BURTON. Mr. President, it seems to me that this is a most unprecedented motion and, I may almost say, an unprecedented proceeding. Here is an item relating to cash registers, about which there is not a shred of testimony before the Committee on Ways and Means, and, so far as we are informed, there is nothing before the Committee on Finance. No request has been made for any change in the duty, either for raising it or for lowering it. The Senator from Indiana comes here and makes a motion to reduce the duty, which, as I understand him, under the present law is 45 per cent.

Mr. BEVERIDGE. No; under the present law there is a duty of 45 per cent merely because, as in so many hundreds of other cases, it was not classified, and it fell under the manufactures of machinery unclassified.

Mr. BURTON. At any rate, there is a duty of 45 per cent. It is specifically mentioned in the pending bill, and the duty is reduced to 30 per cent. Now the Senator from Indiana proposes to reduce it still further, to 15 per cent, and he strengthens that contention with a bitter attack upon a corporation which has had no opportunity to defend itself, which has had no hearing, which is accused as a monopoly and as a trust.

The establishment which manufactures this article is a leading industry in my own State. However, I have not heard a word from it. If they have any wishes in regard to the tariff they have not communicated them to me, and I understand that the same is true of my colleague [Mr. DICK]. It may be that they care nothing about the tariff; but I do submit that to come in here and attack them because of the manner in which they are conducting their business is without warrant. Let them have a chance to be heard. If there is any action to be taken on this paragraph, it should be postponed until there may be an opportunity for that fair play to which every individual and every corporation alike is entitled. Let them have a chance to be heard.

Mr. BEVERIDGE. Will the Senator permit me to ask him for some information, if the Senator is defending this corporation? Does he know that its officers were indicted in the State of Massachusetts for their illegal methods of conducting business?

Mr. BURTON. I know nothing about it.

Mr. BEVERIDGE. Were they not sued under the antitrust law by the junior Senator from New York [Mr. ROOT] when he was district attorney, and even in that day was not the prosecution successful?

Mr. BURTON. I know nothing about it.

Mr. BEVERIDGE. The records of the court show it.

Mr. BURTON. I have performed my duties as a Representative or a Senator here without keeping track of the criminal prosecutions in the country; and I would say that the Senator from Indiana himself intimated that this is a question for the courts rather than for Congress. If they are violators of the law, let them be punished by the law. If there is ground for action against them in the courts, let the courts take action.

I think, Mr. President, we have had a little too much of this style of argument when duties are under consideration here. If anyone desires to lower a duty or raise a duty or advance any wish of his, he can come in here and shout with clenched fists: "Trust!" "Monopoly!" "Octopus!" Perhaps he might go on with all the rest of the animals, and very likely they have just as little to do with the business under consideration as any of the animals that might be mentioned.

I submit that this is a question not for settlement here in this Chamber, but in the courts, where judgments upon violations of the law belong. I have no commission here to defend this corporation, except that it is one of the best manufacturing establishments in the United States, and one of the most progressive, and I certainly am entitled to ask for them a fair hearing. There should not, without such hearing, be projected here in the midst of these proceedings an attack upon their manner of doing business and a motion that a duty be lowered which might bring upon them serious loss, cripple their operations, and cripple an American industry.

Mr. BEVERIDGE. Mr. President, I myself suggested and I quite agree with the suggestion of the Senator from Ohio, which he repeated from my own, that these facts seem to show that it is a subject for the courts. I shall not be surprised, indeed I venture to predict, that that event will be forthcoming at the hands of a righteous government.

Another thing, I said that I was sorry to have to use the word "monopoly" or "trust." Those names are so often misused that I do not like to use them. If only they will do right, I believe in the great organizations of business which our modern industrial civilization has developed. They serve the people as they could not otherwise be served, provided they do not take advantage of their power. But I want them to do right, as I want every man to do right. I want them to be honest, to obey the law, and to be reasonable in their business. They must not disregard common honesty and the laws of the land. That is my doctrine, which I have preached for years.

I do not believe in unfair competitive methods. I do not believe that their size and their usefulness to the public gives them a right to employ methods which no man or partnership would dare to use or for one instant would be permitted to use.

Mr. CRAWFORD. Mr. President——

Mr. BEVERIDGE. Just a moment. I will be through in a minute.

But that, Mr. President, was only introductory to this. My amendment rests upon the fact that there is not one single machine imported, that this monopoly is almost the sole manufacturer, and that to-day in England it is selling the same machines that they sell to the American storekeeper all over Ohio and the Nation at exactly half the price; and that half price, too, includes freight and transportation.

Mr. BURTON. Will the Senator from Indiana yield for a question?

Mr. BEVERIDGE. Certainly.

Mr. BURTON. Does he think the Senate ought to take the photographic material he has and his statement of facts and rely upon it as a basis for action without further proof or without at least allowing the company to answer these allegations? I will say I am myself——

Mr. BEVERIDGE. I will say this——

Mr. BURTON. A firm believer in reducing the tariff where as a matter of settled policy corporations sell their product for less abroad than at home, but we should not take, I maintain, any ex parte testimony on this subject.

Mr. BEVERIDGE. Mr. President, I first asked the chairman of the Finance Committee—for I had myself searched everywhere in the House hearings for any testimony upon the subject of cash registers—whether his committee had any information, and he told me, what I knew before was the truth, that they had not. The reason why cash registers are mentioned at all was for the purpose of classification. The subject never was brought before them. I have no doubt, upon the facts that I have given here as to differences in price, all the investigation in the world could not change a single fact. I hope the Senate will agree to the amendment.

Mr. DICK rose.

Mr. ALDRICH. Mr. President, I am inclined myself, to save time, to allow this amendment to be adopted; not, however, with a view of expressing any opinion one way or the other with reference to the statement made by the Senator from Indiana. I assure both Senators from Ohio that the conference committee will carefully investigate this matter and find out whether this duty ought to be reduced.

Mr. BURTON. Mr. President, does it seem to the chairman of the Finance Committee that a motion should be adopted before an investigation? Should a change be made now in the bill from the form in which it passed the House and has been reported to the Senate?

Mr. ALDRICH. I simply made the suggestion to save discussion here. I assure the Senator that no action will be taken finally without giving the Senator and the cash-register company full opportunity to be heard before the committee.

Mr. BURTON. If left for future action, it is not fair to leave it as it now is, there not having been, as I understand, a single petition coming from any portion of the United States for any reduction of this duty.

Mr. ALDRICH. If I can get rid of the discussion in that way equally with the other, I certainly am willing to follow the suggestion of the Senator.

Mr. BEVERIDGE. I prefer to have it to go on the bill, and then the Committee on Finance can consider it.

Mr. ALDRICH. Of course I desire to follow the inclination of the Senators in this case. If the Senator from Indiana desires to have a vote now——

Mr. BEVERIDGE. I thought the Senator was going to accept the amendment. There is not a single reason in the world against it, not one. The Senator knows that cash registers were mentioned for purposes of classification; everybody knows it; the Senators from Ohio know it; and there is not the slightest reason for a cent of duty upon the article——

Mr. DICK. Mr. President——

Mr. BEVERIDGE. Certainly not more than 15 per cent.

Mr. DICK. I prefer to express my own opinion about that, rather than to have the Senator from Indiana express it for me. I am perfectly willing that the amendment shall go over, as reported by the Committee on Finance, but I am unwilling that the amendment of the Senator from Indiana shall be adopted, even with the promise given that we shall return to it after the matter has been heard. I have no objection to having the amendment reported by the committee adopted, but I am unwilling and will not consent to the adoption of the amendment of the Senator from Indiana without debating it.

Mr. BEVERIDGE. I will say to the Senators that if they prefer this matter shall go over rather than have a vote now, until they can investigate it themselves, of course I shall do that as a matter of courtesy.

Mr. ALDRICH. I think that course had better be adopted.

Mr. DICK. I think, Mr. President, it might have been quite as well for the Senator from Indiana to have extended that courtesy earlier. Why did he not carry to the Committee on Finance his protests and his petitions, if there was any demand for a reduction of this duty, instead of bringing them here to the Senate unexpectedly and as a surprise, at a time when the committee and the Senate are in no mood to discuss the question?

Mr. BEVERIDGE. Very well; let it go over.

Mr. DICK. I have no objection to having the matter reopened for consideration in committee.

The VICE-PRESIDENT. Without objection, the amendment goes over without action.

Mr. KEAN. Mr. President, a parliamentary inquiry.

The VICE-PRESIDENT. The Senator will state it.

Mr. KEAN. I understand that the paragraph has already been agreed to.

Mr. BEVERIDGE. But my proposed amendment goes over.

The VICE-PRESIDENT. The paragraph has been agreed to, but that does not preclude the Senator from Indiana from offering an amendment.

Mr. KEAN. No motion has been made to reconsider it.

The VICE-PRESIDENT. The amendment goes over.

Mr. ALDRICH. On page 178, line 24, I move to insert a paragraph as paragraph 447½.

The VICE-PRESIDENT. The Secretary will report the amendment.

The SECRETARY. On page 178 it is proposed to add a new paragraph, to be known as paragraph 447½, as follows:

Hides of cattle, raw or uncured, whether dry, salted, or pickled, 15 per cent ad valorem: *Provided*, That upon all leather exported made from imported hides there shall be allowed a drawback equal to the amount of duty paid on such hides, to be paid under such regulations as the Secretary of the Treasury may prescribe.

Mr. CLAPP. Will the Secretary read it again? I did not catch the first sentence clearly.

The Secretary again read the amendment.

Mr. ALDRICH. I will say that is the provision of the existing law. It is a duplication.

Mr. CLAPP. Mr. President, it is not my purpose to detain the Senate very long upon the question of the tariff on hides. The subject is somewhat complicated by the fact that hides are not in themselves a distinctive subject of production. If they were, I might be constrained to support a tariff upon them. The hide is but an incident in the stock industry, and while at first glance it might seem as though a duty on hides was a benefit to the agricultural interests of the country, yet there again we are confronted by a peculiar condition.

I do not like to indulge in the tossing back and forth of terms obnoxious in themselves, but we must recognize that in the past few years there has grown up in this country a condition where combinations, call it what you may, have become an important factor in our industrial life, largely eliminating competition. This condition we have come to refer to as "the trust."

I believe that to-day the problem of American industrial and commercial life is not so much the tariff as it is the question how to keep alive the industrial life of this country and at the same time prevent a system and a process that is rapidly eliminating competition in our midst. In other words, I refer to that subject which, in broad terms, is embraced in the expression "the trust."

It so happens that what is known in the language of the day as the "meat trust" has secured a position in reference to the industry of stock raising, and the incidental production of hides, which has become a monopoly. I quite agree with the Senator from Texas [Mr. BAILEY] that, in the main, the trust problem can not be solved through the medium of a tariff bill; but it is equally certain, to my mind, that there are relations existing between the trusts and the products of this country where, at least, the possibility of a trust, for power in dominating and monopolizing markets, may in a measure be reached through the instrumentality of a tariff revision.

The Senator from Michigan [Mr. SMITH] a few days ago recounted in glowing terms the toil and the privations through which the brave Netherlanders had reared a dike around their country and had rescued their land from the dominion of the sea. He pictured in glowing terms how, with zealous care, the Netherlanders watched that dike, and how reluctant a Netherlander would be to permit any interference with that dike.

But we can not forget that in the hour of the crisis with that people, while they, with all their patience and industry, had reared those dikes, nevertheless they were ready to tear a gap in those dikes that they might rescue their land from a tyranny and a despotism that was unbearable. And it may yet come in the history of this Republic that we, who have so fondly reared this dike, who have so carefully guarded this dike, may be as ready as were the Netherlanders more than three hundred years ago to cut down the dike itself, if by doing so we can rescue ourselves from a more unbearable and intolerable tyranny.

I do not like to indulge in criticism, but I want to say that in all human history there never has been such absolute, inexcusable greed as is shown to-day in some of these great combinations—not a struggle for their own existence, not a struggle in honest competition with competitors, but, after stifling competitor after competitor, going on with merciless stroke to strike down simply that they may add to possessions beyond all human power of enjoyment or even hardly the concept of possession itself. That relation is sustained to this question of hides, and I am proud to stand on this floor and to represent

in part a people who are ready to bear their share of the sacrifice, if necessary, to rescue this country from that domination.

I have not participated in, nor have I looked with leniency upon, a proposition so often injected into this debate, of trading this thing or that thing, this section or that section, in a sort of compromise upon this measure. We have got to recognize here the principle of the greatest good for and to the greatest number. While it may be said that this proposition will, in a measure and to a certain degree, and in some remote instances, perhaps, lessen the profits of the man who produces stock in this country, yet, after studying this question fairly and diligently, I am thoroughly of the opinion that, in so far as it may possibly curtail the power and the profits of this trust, the benefit, when averaged to the American people, will exceed any possible loss.

Mr. WARREN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Minnesota yield to the Senator from Wyoming?

Mr. CLAPP. I do.

Mr. WARREN. To what trust does the Senator from Minnesota allude? There are several to which he might allude.

Mr. CLAPP. There are several trusts, and I will say——

Mr. WARREN. I hope the Senator will, in his remarks, remember all of the trusts interested in this particular product.

Mr. CLAPP. Mr. President, I was going to say we should be fair, and while it seems to me we should take the duty from hides, I am not so clear but that in taking the duty from hides perhaps some one else than the ultimate user of the product of hides may be the beneficiary.

Mr. BORAH. Mr. President——

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

Mr. CLAPP. With pleasure.

Mr. BORAH. Do I understand the drift of the Senator's argument to be that free hides would serve the trusts or would cripple the trusts?

Mr. CLAPP. The allowing of free hides will undoubtedly, in my opinion, lessen the power of one great trust—that which we call the "beef trust."

Mr. BORAH. Then, do I understand the Senator's argument to be that by tariff legislation we can affect the trusts one way or another?

Mr. CLAPP. Mr. President, if the Senator from Idaho had been in the Chamber, he would have heard me say that I quite agree that in the main I do not think perhaps the solution of the trust problem will be found in a tariff schedule; but, nevertheless, that there may be times, there may be instances, and there may be conditions, where tariff legislation bears an intimate relation to the prosperity, the power, and the monopoly of trusts.

Mr. BORAH. Mr. President, I was in the Chamber when the Senator from Minnesota made that statement; but I did not understand the effect of the phrase "in the main," because I did not understand how, in any measure, or at all, you were going to affect the trusts by tariff legislation. That statement has been made many times upon the floor of the Senate in the last few weeks. I am not criticising the Senator from Minnesota, but I have not yet been able to ascertain in what respect and how we are going to do the work.

Mr. CLAPP. I was proceeding to attempt to show its relation to this particular industry.

Mr. BORAH. Would it interfere with the Senator from Minnesota if I should read him a statement by one of the leaders of our party with reference to the effect of the tariff upon the trusts?

Mr. CLAPP. It would not interfere with me at all. I have been reading and hearing those things for some time.

Mr. BORAH. Then, I want to read this to the Senator. I think it comes from one who has won some distinction in that fight. He said:

One point we must steadily keep in mind. The question of tariff revision, speaking broadly, stands wholly apart from the question of dealing with the trusts. No change in tariff duties can have any substantial effect in solving the so-called "trust problem." Certain great trusts of great corporations are wholly unaffected by the tariff. Practically all the others that are of any importance have, as a matter of fact, numbers of smaller American competitors; and of course a change in the tariff which would work injury to the large corporation would work not merely injury, but destruction to its smaller competitors; and equally, of course, such a change would mean disaster to all the wage-workers connected with either the large or the small corporations. From the standpoint of those interested in the solution of the trust problem, such a change would therefore merely mean that the trust was relieved of the competition of its weaker American competitors and thrown into competition only with foreign competitors, and that the first effort to meet this new competition would be made by cutting down wages, and would therefore be primarily at the cost of labor. In the case of some of our greatest trusts such a change might confer upon them a positive benefit. Speaking broadly, it is evident that the changes in the tariff will affect the trusts for weal or for woe simply as they affect the whole country. The tariff affects trusts only as it affects all other interests. It makes all these interests, large or small, profitable; and its benefits can be taken from the large only under penalty of taking them from the small also.

The Senator from Minnesota will, of course, recognize that as a speech delivered by ex-President Roosevelt in the Senator's own State, and at a time, I presume, when the Senator was with the President.

Mr. CLAPP. Mr. President, without any egotism or any reflection upon ex-President Roosevelt, I recognize it, with the exception of one single word, as the speeches and utterances of Republicans indiscriminately and everywhere. Perhaps he has put it a little better than I have been able to put it a hundred times on the stump, with the exception of one word there, and that word means everything. When any man says, speaking of problems as broad and as complex as the American economic problems, that no change can effect a given result, he is careless and indiscriminate in the use of language, because there are exceptions to all rules, and, I contend, this is an exception. More than that, at the very outset of my remarks, I pointed out the distinction between the ordinary trust, where the problem involves a tariff upon a distinct article, produced as a distinct article, and a problem like the one in hand, where it involves a tariff upon practically and incident to a greater production. It is true that if the United States Steel Company, for instance, absolutely required a duty to maintain its operations in this country, then to strike the duty off the article which that institution produces would not solve the trust problem, only in so far as it might produce chaos and disaster to an American industry; but if in a struggle between two corporations or trusts—and I may as well use the latter word—one of those trusts gets a great advantage over the other because that particular article is protected, and yet the protection upon that article does not involve the life or the vitality or the endurance of the trust, the removal of that duty is in the interest of competition and not destructive to any business condition or American economic or industrial energy. The beef trust gets this advantage.

Mr. WARREN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Minnesota yield to the Senator from Wyoming?

Mr. CLAPP. I do.

Mr. WARREN. Mr. President, the Senator from Minnesota has evidently well stored his mind with information on this subject, and while speaking of trusts, including the meat trust and the leather trust, I should like to have him give me some explanation of this fact: When we were in the clutches of the leather trust, and before complaint had been made of the beef trust, and before the enactment of the Dingley law, hides in Chicago were 4 cents. I have the statement of the Boot and Shoe Recorder to prove that. They were so cheap that in remote places the farmers could not ship them to market, because the hides would not bring even the freight charges upon them. As I have said, we were then in the clutches of the leather trust, composed of hundreds of tanneries. Since the time the beef trust is alleged to have taken up the matter of hides, the prices have advanced, and the farmer gets the benefit of that advance; and yet those consumers who buy shoes pay exactly the same price for shoes that they paid then and before that time.

I should like to have the Senator show me and show the Senate to what trust he proposes to pay his respects and to what trust he thinks we should turn our attention and destroy. I should like to have him tell us, furthermore, how he is going to prevent the meat trust going to South America and buying hides and tanning them on the Atlantic coast, if that trust wishes to do so, the same as the leather trust does.

It seems to me that if we can get the trusts by the ears and competing against each other, so that both the producer and the consumer can have good results—the producer a higher rate and the consumer a lower, or, at least, no higher rate—then we had better permit the two trusts to go on in the laudable work of competing with each other, instead of surrendering one to the other, as the Senator's remarks would seem to indicate.

Mr. CLAPP. Mr. President, there is a good deal of force in that suggestion of "getting them by the ears." I believe—I may be mistaken, but I believe—that taking the duty off of hides would give one fellow as good a hold on the other's ears as the other has got now on his ears.

Mr. WARREN. Please explain, if the Senator will, why one has got the better hold now than the other.

Mr. CLAPP. In the first place, I have not announced that taking the duty off of hides would be a cure-all for the trust evil. I am simply urging that it may possibly equalize conditions.

Mr. STONE. Mr. President——

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

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

Mr. STONE. Why would it not be better to deal with both trusts at the same time and in the same way? I have thought a few times of offering an amendment to the amendment, putting not only hides, but leather, shoes, harness, and so forth, on the free list. Why not deal with the leather trust, if there be one, at the same time we deal with the hide trust, if there be one?

Mr. CLAPP. Mr. President, that reminds me of an incident some years ago, when, as a lawyer, I was employed by some gentlemen who were building a railroad. One of the promoters became very enthusiastic, and one day suggested that they would have to double track the road, but the wise old gentleman at the head of the combination suggested, "We had better build a single-track road first, and then, perhaps, double track it when occasion requires." While I, perhaps, would not go with the Senator from Missouri to put manufactured products of leather on the free list, I will, when the time comes, go with the Senator from Missouri in reducing the duty upon the manufactured leather product, for I think the duty is altogether higher now than it need be. We have got to vote for one suggestion or the other first, and my idea of the order in which we should consider these subjects in the relation of the raw material to the manufactured product is that we should deal first with the raw material, and then we have a safer guide to go by when we come to deal with the manufactured product; and, within the limits of a reasonable tariff, I will join the Senator from Missouri when that time comes.

Mr. DIXON. Mr. President——

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

Mr. CLAPP. With pleasure.

Mr. DIXON. I am very much interested in what the Senator from Minnesota is now saying. I first want to know his premises, so that I can follow his argument with some degree of intelligence. Do I understand the Senator from Minnesota at this time to advocate taking the duties off of hides entirely?

Mr. CLAPP. I think the duties should be absolutely removed from hides.

Mr. DIXON. Then, at the same time, what is the attitude of the Senator from Minnesota regarding the 40 per cent duty on the manufactured products of leather—would he put those on the free list also?

Mr. CLAPP. I have just said that perhaps I would not now go to the extent of taking all the duty off the manufactured article, but would certainly favor a material reduction of the duty on the completed article.

Mr. LODGE. If the Senator from Minnesota will allow me, the duty on the manufactured products of leather never has been 40 per cent or anything resembling that rate.

Mr. DIXON. Will the Senators from Minnesota and Massachusetts agree, then, if we put hides on the free list, to put leather and manufactured products of leather on the free list?

Mr. LODGE. It would be exactly like putting paper on the free list because you put pulp logs on the free list.

Mr. DIXON. Not in the least degree.

Mr. LODGE. Why not? One is the raw material of the other.

Mr. DIXON. Does the Senator from Massachusetts, whom we have followed patiently through all these tariff discussions, say, as a Republican, that hides should go on the free list and at the same time maintain the duty on leather?

Mr. LODGE. No; I do not say that.

Mr. DIXON. And leather products?

Mr. LODGE. I say the duties on leather should be reduced; and they are.

Mr. DIXON. The Senator from Massachusetts does not answer my question. Is there any consistency in the attitude of the Senator from Minnesota or that of the Senator from Massachusetts?

Mr. CLAPP. I beg the Senator's pardon. Another Senator can not answer as to my consistency. I will myself answer as to that.

Mr. LODGE. The Senator from Minnesota will take care of himself, and I will take care of the inconsistency part when I get the floor.

Mr. DIXON. All right. I will address my remarks specifically to the Senator from Minnesota. Is there any consistency in advocating the taking of the duty off of hides, which 5,000,000 farmers in this country produce——

Mr. CARTER. Nine million.

Mr. DIXON. I will accept the suggestion of my colleague—which 9,000,000 farmers in this country produce, and at the same time maintain any duty on leather or its products?

Mr. CLAPP. Mr. President, I have tried to make my position plain. In response to the question of the Senator from Missouri [Mr. STONE] I distinctly stated that when it comes to the manufactured product I probably would not put that product on the free list, but that I did believe the duty on the manufactured product in some cases, and especially in this case, ought to be reduced; and that we could best tell what the reduction ought to be after we had passed upon the question of the raw material that goes into it. I can not make that any plainer.

Mr. DIXON. Will the Senator yield just to one question further?

Mr. CLAPP. With pleasure.

Mr. DIXON. The Senator from Massachusetts [Mr. LODGE] stated that the duty on manufactured products of leather was not 40 per cent. I read from the bill, which we have been following here for three months, paragraph 449:

> And manufactures of leather, or of which leather is the component material of chief value, not specially provided for in this section, 40 per cent ad valorem.

That is in plain English in the bill, and if I have misquoted it it is because of my inability to read English. But I want to ask the Senator from Minnesota [Mr. CLAPP] this further question: Why should he advocate a duty on leather or the products of leather if at the same time and in the same speech he advocates taking the duty entirely off of hides, which is the raw product from which leather is made? What is the consistency of the attitude? How can Senators explain such an attitude?

Mr. CLAPP. We can advocate it upon this theory, and upon no other theory, that, as to hides, if a duty is not necessary, upon which Senators might differ, then there should be no duty on hides.

Mr. DIXON. That is perfectly apparent.

Mr. CLAPP. But if, when we come to leather and boots and shoes, if a duty is necessary, upon which Senators might also differ, then we should put a duty upon leather and upon boots and shoes.

Mr. DIXON. But the same state of facts which establishes the proposition that you should not put any duty on hides, at the same time establishes the argument that no duty should go on leather or its manufactured products. It is just as broad as it is long.

Mr. CLAPP. That may be true, but I do not think it is. That is a question that every Senator must answer for himself; but, after all, that question involves the question of whether or not there ought to be a duty on hides. If there ought to be, then a Senator so believing should vote for such a duty, and a Senator who does not so believe should vote against it. When it comes to boots and shoes and leather products, if a Senator believes that they need more protection or less protection or whatever protection he believes they need, he should vote accordingly. The two are only associated so far as a man in framing his judgment upon that question may see fit to associate them.

Mr. DIXON. Then, without interrupting the Senator any more than is necessary——

Mr. CLAPP. I do not object to interruptions. I believe that debate should be debate. I am not one of those who want to come into this body and deliver a prepared speech and then go back into the cloakroom.

Mr. DIXON. I wholly agree with the Senator from Minnesota in that view if we want to arrive at the truth; but he has arrived at a conclusion, based on conditions as they exist in this country, that there should be no duty on hides; and does not the same investigation inevitably lead him to the conclusion that there is no consistency in putting a duty on leather?

Mr. CLAPP. Not at all.

Mr. DIXON. Does the Senator at this time advocate a duty on leather and manufactured products of leather while advocating no duty on hides?

Mr. CLAPP. I have already stated that it is not certain now whether a duty should be retained on the manufactured article, although I rather incline just now to retaining some duty.

Mr. DIXON. That is the present position of the Senator from Minnesota?

Mr. CLAPP. Just how much duty should be imposed I would not say now, for I have not reached that question; but this is what differentiates hides from almost all other things: If the hide was something that was produced of itself and for itself, then perhaps, even under present economic conditions, it would not be warrantable to put it on the free list; but the boot and shoe is a distinct and complete article, made as a boot and a shoe, and into the making of that boot and that shoe enter all the qualifications that go to the price and the cost of that boot and shoe. If the hide could be raised and the farmer could get the benefit of the price of that hide in the field, then we would have a different question involved in this discussion; but the

hide is the incident. The farmer to-day is at the mercy of the beef trust; and the beef trust is slowly but surely dragging down and eliminating the tanning interest of this country. We desire competition. You may say there was a time when the tanning interest was a combination. You may say there will come another time when it will again become a combination if it survives this attack. If it does, then we will deal with it; but to-day it is in the death throes, because the beef trust has its clutch upon the throat of the tanning industry of this country.

The farmer, in the last analysis, is interested in having the prosperity of this country maintained and in having the workingmen of this country employed at remunerative wages, so that he may find a market for his farm products. I need not rehearse that statement of the broad proposition involved in protection. He can, in my judgment, better afford to forego what little he may get of this pitiful pittance of a tariff on hides, if by doing that it may possibly give the tanning industry an opportunity to survive this attack of the beef trust that is now slowly but surely eliminating the tanning industry.

Mr. WARREN. Right there——

The VICE-PRESIDENT. Does the Senator from Minnesota yield to the Senator from Wyoming?

Mr. CLAPP. Yes.

Mr. WARREN. I think this is particularly apropos just now. I have in my hand the Boot and Shoe Recorder. It is the official paper of the boot and shoe and tanning interests; and not only that, but this is a special issue. Of course you will notice it is yellow—merely a coincidence, perhaps.

But it devotes an entire page to the Senate and House of Representatives, and it is the boot and shoe and tanning interests' direct communication to us. Now, as to the duty on hides and whether it benefits the farmer or not, let us see what they say. They are undertaking to prove that it does not, and they prove too much. They say:

> Prior to the Dingley Act the price of packers' cow hides was 4 cents; to-day it is 13¾ cents.

Does the raiser of hides in the western country get any benefit from the difference between 4 cents and 13¾ cents; and if not, why not? I want to tell the Senator that during the period of free hides there was a group of States in which hides were hauled out and buried. The farmers there paid the duty on the harness worn by their horses, upon which 45 per cent tariff is imposed, and they paid 25 per cent duty upon boots and shoes worn by themselves while carrying those hides out for burial, because the leather trust in the East bore down on the price of hides and would pay the packers in Chicago but 3 and 4 cents. Therefore, and for that reason, the packers have gone into the business of tanning the hides, and have resurrected the farmers' values on hides. That fact and the Dingley law have put the far western farmers and cattlemen where they have been able to get some profit from the raising of cattle where they had none before.

Mr. CLAPP. Mr. President, I sincerely regret my lack of English, in which to pay fitting tribute to the philanthropy of those beef packers who went into this industry of eliminating the tanneries of this country simply in the interest of the American farmer.

Mr. CURTIS. Mr. President——

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

Mr. CLAPP. With pleasure.

Mr. CURTIS. A moment ago the Senator referred to the poverty of the leather people. I should like to call his attention to one of the statements issued by the Vogel Leather Company.

Mr. CLAPP. Is the Senator referring to a statement of mine?

Mr. CURTIS. Certainly.

Mr. CLAPP. I have not reached the leather people yet.

Mr. CURTIS. I beg the Senator's pardon——

Mr. WARREN. We will show you, on the contrary, that it is one of the most prosperous industries in the United States to-day, next to the boot and shoe industry.

Mr. CURTIS. I should like to make this statement, if the Senator will permit me, just to show how they are financially situated: The Pfister & Vogel Leather Company, of Milwaukee, Wis., is incorporated in Wisconsin, and has plants located at Milwaukee, Wis., and Cheboygan, Mich. Its capital stock is $6,000,000, and, according to Moody's Manual for 1908, page 2458, its surplus on November 1, 1907, was $3,500,000.

Mr. CLAPP. The fact, nevertheless, remains that the independent tanner is being rapidly eliminated. I do not know—I wish we could know—whether this proposed change would restore him and put him in condition to meet the competition of the beef trust. But I know this: I know that when you fritter and filter this proposition through the beef trust, the effect to the farmer is absolutely reduced almost to a point where it can not be distinguished; and, if that be true, then I believe we at least can afford to try to give the tanner this opportunity to maintain the contest.

Mr. DIXON. Does the Senator really mean to contend here that the stock raisers of the country get nothing out of the hides of their cattle which they sell?

Mr. CLAPP. I do not suppose that if a farmer skinned his steer at home, and then took the skin to the market, he would get as much for the steer as he would with the skin on.

Mr. DIXON. Then does not that reduce the Senator's argument to an absurdity?

Mr. CLAPP. No, sir. When you take the percentage of this duty and apply it to the few classes of hides to which it is applicable, and filtered through the monopoly that in the main is the purchaser, it reduces the possible profit or benefit to the farmer under this 15 per cent rate to a point where it is no longer enough to be seriously considered or discussed.

Mr. DIXON. Will the Senator just let me read here the actual returns?

Mr. CLAPP. From cattle sold in the month of February of this year, and he can see what proportion the hides bear to the total value of the steer. It is so apparent that any man seeking light can not escape it.

Mr. GORE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Minnesota yield to the Senator from Oklahoma?

Mr. CLAPP. The Senator from Montana has asked for the floor.

Mr. DIXON. I hold in my hand statements here from the Chicago Live Stock Exchange under date of January 22, 1909. I want the Senator to listen to it, with a real desire to find out the truth. A steer was sold and the credit memorandum, sent to the farmer in Iowa who sold the steer, was as follows: By 4 quarters of beef, 512 pounds, at 5.37 cents, $27.50 for the meat; by butter stock, 14 pounds, at 7.61 cents; $1.06; by 1 steer hide, 64 pounds, at 10.8 cents, $6.91; by head, tongue, and so forth, 60 cents; total, $36.07. From that steer $6.91 was from the hide. Would the Senator argue that in that particular case the value of the hide did not go into the constituent value of the steer itself?

Mr. CLAPP. It seems unfortunate that I can not make a statement which is understood. I never stated that the hide cut no figure. I said you take the present duty upon the particular class of hides to which this is applicable and when you have filtered that duty through the beef trust there is nothing, in my judgment, out of that duty to the farmer that is worthy of consideration.

Mr. DIXON. What proportion of the cattle of the country are slaughtered by the beef trust?

Mr. CLAPP. About 70 per cent.

Mr. WARREN. Less than 45 per cent.

Mr. CLAPP. I have misspoken myself.

Mr. DIXON. It is less than that.

Mr. CLAPP. I am not going to be diverted from the Senator's question. The Senator's question reminds me of what I have so often heard in this Chamber in the last few weeks. Some one will take the total cost of producing an article and figure that we have got to have a tariff to that amount, because that cost was all labor. The Senator falls into the same error. It is not a question of what the hide produces, but it is a question of what benefit the farmer gets from the duty on that hide.

Mr. DIXON. The Senator is wrong in the proportion of cattle slaughtered by the beef trust.

Mr. CLAPP. I corrected that.

Mr. DIXON. Out of 14,000,000 cattle, all that the great packers got was 5,000,000. Nine million were killed on the farms and in the little towns.

Mr. CURTIS. May I add to that the number of fallen hides, over 2,000,000, not included, which are not handled by the packers, but by the farmers and stock raisers?

Mr. DIXON. Out of the cattle slaughtered only 5,000,000 go into the hands of the great packers.

Mr. CLAPP. That is enough in a concrete form, controlled by one masterful power, to practically dominate largely the tanning industries in this country, in my judgment.

Mr. DIXON. Would the Senator now advance the duty on the leather made by the great packers in their tanneries at the same time that he wants free hides?

Mr. CLAPP. Every dollar of labor that goes into a piece of leather or into a shoe can be traced to that particular product, while the other is at the best only the incident of the greater.

Mr. DIXON. If the Senator——

Mr. DU PONT. Mr. President——

The VICE-PRESIDENT. The Senator from Oklahoma has been waiting some little time.

Mr. CLAPP. Yes; I yield to the Senator from Oklahoma.

The VICE-PRESIDENT. The Senator from Minnesota yields to the Senator from Oklahoma.

Mr. GORE. I desire to propound a question to the Senator from Montana and the Senator from Wyoming on account of their familiarity with this subject. I have heard the statement made, and have not been able to verify it, and if it be true it is very important, that since the panic of 1907, cattle have been lower than they were before the panic and hides have been higher, at least during a portion of the time. I should like to know whether that is true or not, if the Senators are able to furnish the information.

Mr. WARREN. I do not like to take the time of the Senator from Minnesota to answer the question now, unless he is willing. But I want to call his attention to this matter of the tanners, if I may have the privilege. I appeal to the Senator from Minnesota.

Mr. CLAPP. Certainly; with pleasure.

Mr. WARREN. As to the tanners, the number of establishments in 1880 was 5,628. This, it will be observed, was before the time of the tariff. The number of tanners in 1890, ten years of free hides, had been reduced from 5,628 to 1,787, and there was no talk in those days about the meat trust. The "meat trust," so called, was not then tanning any hides. The capital invested in 1880 was a little over $73,000,000, and it increased in that ten years to about $98,000,000, an increase under free hides of something over $24,000,000, or about two and a half millions per year.

Now, starting from 1900, after there had been a duty put upon hides, and running up to 1905—and I quote 1905 and 1900 so that we may have the official figures of the United States census—we find that, while the increase under free hides had been but two and a half million dollars a year, under dutiable hides, in the five years from 1900 to 1905 it had been thirteen and a half millions a year. In other words, the tanning industry increased over four times as fast under dutiable hides as under free hides. The value of the product from 1880 to 1890, ten years of free hides, had been reduced from two hundred million and something to a hundred and seventy-two million and something, showing a decrease in ten years of over $28,000,000.

Mr. CLAPP. What ten years?

Mr. WARREN. The ten years from 1880 to 1890, when hides were free. Instead of a decrease of $28,000,000 we have here an increase in the next five years of over $48,500,000 to the credit and success of the tanners, under dutiable hides.

Mr. CLAPP. The trouble about that is—and it often occurs here—you take different periods and compare them. That comparison does not show any such growth of the tanning industry in those five years between 1900 and 1905—years of unparalleled general growth of industrial life in this country—as it ought to show under good economic conditions.

Mr. WARREN. That will not do.

Mr. CLAPP. That in itself is, to my mind, a sufficient answer to the question.

Mr. WARREN. The Senator knows that business from 1880 to 1890 was not depressed to a degree that would show ten long years of bad business and of loss, while from 1900 up to 1905 the years were all good ones. That will not do. You can take any period, unless it be for two or three exceptional years, and you will find the same result. I have been through these figures, starting from the foundation of the business. You may take the boot and shoe business, the harness business. I am going to prove by absolute figures that they have never been as successful as since the imposition of a duty on hides. But in the last twelve years their success has been phenomenal under dutiable hides beyond anything they ever dreamed of before.

Mr. DU PONT. Mr. President——

Mr. CLAPP. I should like to——

The VICE-PRESIDENT. Does the Senator from Minnesota yield to the Senator from Delaware?

Mr. CLAPP. Certainly.

Mr. DU PONT. Referring to the contention of the Senator from Montana, that if hides go on the free list, therefore the manufactures of leather should be on the free list, I believe it is admitted by all statisticians that the average cost of material in manufactured articles is about 10 per cent, and the cost of labor about 90 per cent. Assuming that the cost of material in the manufactured products of leather is 10 per cent, or thereabouts, I fail to see the logic which would obtain that because 10 per cent of the total cost of the manufactured product is to be cheapened by being put on the free list, therefore the other 90 per cent of its cost should be also deprived of its value by being placed on the free list.

Mr. CLAPP. I have about concluded my remarks, with the exception of reminding the Senators that, so far as the information which I can gather shows, that not only is added to the purchase by the beef trust as a concrete force and form of the whole number purchased by the trust, but that largely the ratio of hides sold which the beef trust gets, as against the hides sold by the farmers on their farms, generally are the hides that are affected by the duty on hides.

Mr. CRAWFORD. Mr. President——

The PRESIDING OFFICER (Mr. JOHNSON of North Dakota in the chair). Does the Senator from Minnesota yield to the Senator from South Dakota?

Mr. CLAPP. Certainly.

Mr. CRAWFORD. I simply wish to suggest that the proposition is not quite fair, in which the Senator asks the representatives of the interests engaged in the production of cattle and hides, without knowing what the balance of the schedule is to be, without knowing what is to be the rate on leather products, to cast a vote here in favor of putting hides on the free list.

My suggestion to the Senator is that that is hardly fair. I have letters—I received one not long ago, which is in my office, from a leather manufacturer in Columbus, Ohio, who made the broad statement that if we would give to the manufacturers of boots and shoes free leather we could take the tariff off of the manufactures.

I have heard the remark made here more than once by representatives east of the Rocky Mountains that if they could get their raw material free we could take the tariff off of many things they manufacture.

The western farmer will at once ask you this question when you propose to take the tariff off hides: "What are you going to give us in return for it? Are you going to sell us cheaper shoes? Are you going to take the tariff off manufactured leather products? If not, we protest." And I for one shall not consent that the tariff be taken off of a product of the farm of this character, in which there is no question of exhausting the supply, because they are being raised every year and even in increased numbers, and when, in addition to that, there can not be a trust in the production of the articles. There is no combination of men who raise these calves and rear these cattle and sell this hide in the first instance. They are the millions scattered over the prairies and the farms of the West. The combination, if one exists, which deals in 40 per cent of the product, is a combination between them, somewhere, and the consumer. There is no combination of the producers. I will not vote to take the tariff off their products unless you have this schedule beyond the raw material established so that you can satisfy these producers that they are getting a corresponding reduction in the manufactured article; and I do not think it is fair to deal with that as an isolated fact here without knowing where we are with reference to the remainder.

Mr. RAYNER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Maryland?

Mr. CLAPP. With pleasure.

Mr. RAYNER. I do not know that it will have any effect, but right in this connection it might be proper to read a few lines of a letter written on this subject. Some years ago, when the McKinley bill was under consideration, it was proposed to put hides on the free list. I only want to read a few lines on that subject now.

Mr. WARREN. Allow me to say that I presume those lines have been printed in a great many documents, and every Senator's desk and office are full of them. They are the lines of a great statesman, written from his view point long ago.

Mr. RAYNER. I will be much obliged to the Senator if he will not interrupt me until I read them. I imagine there are a great many Senators who do not know what they are; and as for some of those who do know what they are, the lines do not seem to have had much effect upon them.

Mr. WARREN. I am glad I have——

The PRESIDING OFFICER. The Senator from Maryland has the floor, with the permission of the Senator from Minnesota.

Mr. CLAPP. With pleasure.

Mr. RAYNER. I read:

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

Yours, hastily, JAMES G. BLAINE.

Mr. WARREN. Will the Senator from Minnesota allow me to ask the Senator from Maryland a question? The Senator knows that the view of the then living James G. Blaine was accepted, in which he promised lower shoes and boots. Have we had them?

Mr. RAYNER. What is the question?

Mr. WARREN. I want to ask the Senator if we had what was promised there—that is, did we have lower priced boots and shoes when the duty was off of hides than when the duty was on?

Mr. RAYNER. If we have not had them, we ought to have had them. I am in favor of reducing the duty on manufactured articles if the raw material is free. I have always stood for the principle that if you reduce the raw material you ought to reduce the duty on the manufactured product, reduce the compensating duty; and if we reduce the duty on raw hides, I would not hesitate for a moment to vote for a reduction of the duty on its products. But, notwithstanding that fact, if, as appears to be the case, we are unable to reduce the duty on the manufactured products, I believe that if you give the manufacturer raw materials free, by forcing competition, you necessarily and inevitably bring down the price of the manufactured article.

Mr. WARREN. May I say just a word? They had for twenty-five long years free hides. Was there any reduction in the price of shoes? On the contrary, I have carefully gone through all the authoritative statements that are here before us from boot and shoe and leather men and tanners, and the only promise that I can find in all these papers—in fact, I find no promise of lower prices hereafter, but the only assertion made that we are liable to have lower prices if we remove the duty—is made by a man who makes soft-sole baby shoes, in which there is not an ounce of dutiable stuff, and he ventures the idea that if we had free hides we might have lower priced shoes.

Mr. RAYNER. That is a sample.

Mr. WARREN. Nobody claims—the tanners do not claim, the shoe men do not claim—that they are going to give us lower prices on shoes. You will still see the face of Douglas in every city above the legend "Douglas's $3.50 shoes," "Douglas's $4 shoes," and so forth, it makes no difference whether you raise or lower the duty on hides. It has been that way for years. It will undoubtedly remain that way.

Mr. RAYNER. The Senator is mistaken, because a Republican manufacturer, before the Ways and Means Committee——

The PRESIDING OFFICER. The Senator from Minnesota is entitled to the floor.

Mr. CLAPP. Let the Senator complete his statement.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. RAYNER. Who wanted free hides, was perfectly willing to reduce the duty on shoes, and if the price of shoes was not reduced it is simply because the manufacturers have not kept their word when hides were free.

Mr. CLAPP. I must insist upon proceeding.

The PRESIDING OFFICER. The Senator from Minnesota is entitled to the floor.

Mr. CLAPP. While I like to be interrupted, and while I like to be asked questions, I should like to proceed.

I simply want to say a word in reply to the suggestion of the Senator from South Dakota. In the first place, he must bear in mind, and every other Senator, that it is only a very small proportion of the hides which the farmer, the ordinary farmer, sells, upon which the duty would be imposed if the provision was retained in the law. As I have already stated, the bulk of that class of hides goes to the great packers and their combinations.

If a man was going to build a house or build a pair of shoes or anything else, instead of guessing at the cost of the house he would start at the bottom and take one by one the items that would go into the cost of the house; and it does seem to me that the truly logical way to get at what we should do—I am speaking now from a protective standpoint—with the manufactured product is to begin with the raw material, and no one can safely determine what to do with the manufactured product unless he does know or believes he knows what will be done with the raw material that goes into the manufactured product.

Consequently, I believe the place to begin with any of these subjects is with the raw material and ascertain first whether we should put that on the free list or the dutiable list. Then we have a guide for our judgment when we come to determine what, if any, duty is necessary to protect the manufactured article.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from North Dakota?

Mr. CLAPP. With pleasure.

Mr. McCUMBER. I want to ask the Senator if he regards hides as raw material?

Mr. CLAPP. Practically as raw material, and especially as raw material when we consider and undertake to determine the cost of shoes, boots, and other leather products.

Mr. McCUMBER. I want to ask the Senator another question, and then I will put them both together. The Senator admits there should be some duty upon articles manufactured of leather.

Mr. CLAPP. At this point and until further examination I would not unhesitatingly say that I would put them on the free list.

Mr. McCUMBER. But I understand also that the basis of the calculation which the Senator has arrived at would be the question of foreign production. In other words, if the foreign production would be cheaper than in this country, he would then give the manufacturer a duty that would correspond with that increased cost of production. Am I right in that respect?

Mr. CLAPP. Substantially; yes.

Mr. McCUMBER. Will the Senator deny for one moment that the cost of producing a hide is immeasurably less in South America than it is in Minnesota or in North Dakota?

Mr. CLAPP. Undoubtedly.

Mr. McCUMBER. Then, if it is less, we come right up again to the manufacturing question. The farmer, before he starts to produce the hide, must invest a very large sum of money in the land; that is, his machinery. He must then plow that land; he must open up the farm. He must buy plows and harrows and tools. He must then plow his land. He must harrow it. He must raise his hay. He must dry that hay; he must stack it; he must bring it to his barn; and then for five long years, on the average, he must put that through the maws of a steer and convert it into a hide. If that is not a manufactured hide, requiring not only the process of years of labor, but also the investment of capital, then I would not know what you would call a manufactured article on the basis of labor going into the production of the article. If the farmer is entitled to the same protection that the manufacturer is entitled to, then the product which he has manufactured should have a duty on it commensurate with the difference in the cost of its production and the cost of the production of that hide in South America. Would not the Senator say that is a reasonable proposition?

Mr. CLAPP. That simply shows what the Senator has lost, if he has lost anything, by not being here while I was trying to discuss that phase of this question.

Mr. McCUMBER. I beg the Senator's pardon. I have heard every word and listened to it. I did not interrupt the Senator.

Mr. CLAPP. Sitting there?

Mr. McCUMBER. Yes; there and in the back part.

Mr. CLAPP. Yes; back there.

Mr. McCUMBER. I heard the Senator.

Mr. CLAPP. It is only a very small, I take it, an infinitesimal part of the hides that the farmer whom the Senator is talking about sells that are covered by this bill at all.

Mr. McCUMBER. Every steer that he sells he sells the hide with it.

Mr. CLAPP. Yes.

Mr. McCUMBER. No matter to whom he sells it.

Mr. CLAPP. But that is not affected by the tariff unless it comes within certain requirements prescribed by the tariff and the Treasury Department. If this was a duty upon all hides, so that the small farmer was getting some of it, it might present a different question. But it is limited only to a small class of hides; and with all the information I have been able to get—it may not be safe information, but it is the information upon which I am basing my position on this question—the hide which the farmer takes from the animal which he kills is not, as a rule, the hide covered by this tariff.

As a matter of concrete force the great mass of stock bought by the beef trust, the bulk of the hides that are covered by this particular tariff, are included in that class of hides; and, more than that, as I said at the outset, this is different from almost any other proposition, because the farmer never bought a farm to raise hides, he never bought a harrow to raise hides, he never bought a plow to raise hides. He bought his farm and his farm implements to carry on his farming business, and as an incident to that business, as an incident to the steer which the farmer raises, there is the hide. It is not unimportant at all, but it is again to be minimized and again to be divided upon the proposition that only a few of those hides come within the tariff requirements, and then that the tariff is so small that, while in the aggregate to a great trust it amounts to a vast weapon for the destruction of its competitors, to the farmer it is absolutely nothing.

Mr. McCUMBER. I will admit that the tariff is too small; I will admit that it does not cover all the hides that the farmer

produces; and I will admit that it ought to cover all of those hides. But the Senator is mistaken when he says that the purchase price of the farm is not for the purpose of raising hides, and that the purchase price of the material and the machinery that the farmer has used upon the farm is not for that purpose. It is true that many of the hides are raised out on what are now the plains, but a great bulk of them are raised upon the small farms. An immense number of steers are raised in the State of Iowa every year. The farm is utilized in raising hay; it is utilized in raising corn, and that corn and that hay are fed to the steer and converted into beef and into the hide. We are protecting those hides as near as we can.

But the Senator says that the beef trust will control as to the price. No doubt it does to a great extent both as to the hide and as to the beef itself, but it has not the complete monopoly. The great amount that it handles undoubtedly influences the price, but it handles less than 50 per cent, only about forty-odd per cent. Am I not correct, I will ask the Senator from Wyoming?

Mr. WARREN. Less than 44 per cent.

Mr. McCUMBER. Yes; less than 44 per cent of the hides raised in the United States. The Senator contends that, holding the control of that amount of hides, they are able to dominate and put out of business the tanner.

Mr. CLAPP. I call the Senator's attention to the fact that the Senator does not hold that; but he holds that when you take into account the fact that the percentage of stock which goes to the beef trust is the great hide-bearing stock of the hide that comes within the tariff regulation, it does enable them to control.

Mr. McCUMBER. But the Senator must remember that the price of hides is fixed by the demand for those hides to a great extent. Now, while the farmer who is asking for this protection has only the American field in which to sell his article, the tanner has the world in which to buy his article.

Mr. CLAPP. Mr. President——

Mr. McCUMBER. Just a moment. Let me call the Senator's attention to the fact that not only has the tanner 66 per cent of all the hides that are produced in the United States to go to, but he has 134,000,000 pounds of hides that are imported into this country. Now, he can get those hides just as easily as the beef trust. The only question is, Who will pay the most for them? If the tanner will pay as much for those hides as the beef trust will pay for those hides, he will get his share of the 134,000,000 pounds that are imported into this country.

Now, why do the tanners want this duty taken off of hides? There can be but one reason, and that is to get cheaper hides. Then, if they are to get cheaper hides, who is going to lose by it—the farmer or the beef trust? Somebody has to make up the difference between the higher and the cheaper hides. It may be that the beef trust will suffer its 44 per cent, but the farmers of the country will necessarily suffer their 66 per cent.

Mr. CLAPP. Does the Senator still insist upon repeating and repeating that of the class of hides upon which this duty attaches, or from which it may be taken, the farmer has 66 per cent and the beef trust only 44 per cent?

Mr. McCUMBER. I not only insist upon that, but more than that.

Mr. CLAPP. I deny it.

Mr. McCUMBER. The greater quantity of steers that are shipped to the great central markets of Chicago and Omaha and other places of that kind are the grown steers. The proportion of calves slaughtered at the great central markets is not nearly as great as those that are slaughtered on the farms and by the butchers, as I understand. So that which the beef trust gets is that upon which the duty is generally levied. I do not want to take up the Senator's time.

Mr. CLAPP. The Senator seems to concede what I have insisted upon.

Mr. WARREN. I wish to ask the Senator a question before he sits down. The Senator has, I think, a good many sheep in his State. Is that right?

Mr. CLAPP. We are gradually getting more sheep. We are not getting as many sheep as we ought to get under all conditions.

Mr. WARREN. What do the farmers raise sheep for, mutton or wool?

Mr. CLAPP. For both.

Mr. WARREN. Is that any different from the cattleman who raises cattle for both beef and hides?

Mr. CLAPP. In the first place, the word "both" would not bear the same relation when you come to apply it to the difference in the value of the pelt and the meat in the steer; and, in the second place, I am going to emphasize it just as long as the contrary is insisted upon here, that it is only a small part of that that the farmer raises that comes within the purview of this bill at all.

Mr. WARREN. The sheepskins are a less proportion of the total value of body and skin than cattle hides, except when the sheepskins have long fleeces on them. The larger proportion of mutton in this country to-day, in fact, nearly 90 per cent of it—certainly over 80 per cent—is killed before it is ever once shorn. So it is the same with sheep as with cattle.

Mr. LODGE. Mr. President, it is with very great reluctance that I oppose a recommendation of the Finance Committee, and I should not do so did I not believe that the duty upon hides is a heavy burden upon a great industry, with no corresponding benefit of a protective character to the farming and stock-growing interests of the country.

I am aware, Mr. President, that I shall be charged with inconsistency. The Senator from Texas [Mr. BAILEY] intimated it several days ago in debate. The Senator from Montana [Mr. DIXON] has suggested it to-day. But, Mr. President, a somewhat protracted observation of tariffs and tariff debates, extending now over twenty years, has made me a little skeptical as to the nature of inconsistency; I am quite indifferent to the charge myself and I have never found it necessary to suggest inconsistency on the part of anyone else. The reason why I have refrained from doing so in this debate, as in all other debates, is what experience of the tariff has shown me. I have never seen a tariff system, foreign or domestic, which did not contain in itself inconsistencies. I have never been through a tariff discussion without observing what would be called inconsistencies, tried by strict principles either of free trade or protection, both on the part of political parties and on the part of individuals. Only yesterday I heard suggestions of inconsistency made in this Chamber by our friends on the Democratic side, speaking of each other.

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

The PRESIDING OFFICER (Mr. JOHNSON of North Dakota in the chair). The Secretary will call the roll.

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

Aldrich	Clay	Frye	Page
Bacon	Crawford	Gallinger	Paynter
Bankhead	Cullom	Gamble	Penrose
Beveridge	Cummins	Guggenheim	Perkins
Borah	Curtis	Hughes	Piles
Brandegee	Daniel	Johnson	Rayner
Briggs	Davis	Johnston	Root
Bristow	Depew	Jones	Scott
Brown	Dick	Kean	Smith, Md.
Bulkeley	Dillingham	La Follette	Smith, S. C.
Burkett	Dixon	Lodge	Smoot
Burnham	Dolliver	Lorimer	Sutherland
Burrows	Du Pont	McLaurin	Tillman
Burton	Elkins	Money	Warner
Carter	Fletcher	Nelson	Warren
Clapp	Flint	Overman	Wetmore
Clark, Wyo.	Foster	Owen	

The PRESIDING OFFICER. Sixty-seven Senators having answered to their names, a quorum is present. The Senator from Massachusetts will proceed.

Mr. LODGE. Mr. President, I was saying in regard to the matter of inconsistency, that I have never indulged in taunting anyone with inconsistency with regard to tariff matters, because my experience had led me to see that in all tariffs and in all constructions of tariff, inconsistencies were sure to arise. And they arise inevitably.

Let me take, however, some more general instances. I voted, I shall vote again, for free binding twine, but on the strict principles of protection there is no reason why that industry should not be protected as well as any other. I have, on the other hand, seen gentlemen from a State which is, if we may judge from its vote, hostile to protection, ask for an advance of duty on pineapples from 14 cents to 62 cents, which seems inconsistent with the pure doctrine of a tariff for revenue only. But in neither case do I think it necessary to find fault with things that are done or requested or the motives of the request or the action. We understand why such things are done. Other reasons which are both obvious and natural prevail over rigid economic principles. I have seen many a high protective duty appear in the guise of a duty for revenue only, but it seemed needless to call attention to it. I have often noticed in this debate, Mr. President, that when the hoary iniquity of the tariff has approached some local industry, even the most austere reformer of other people's industries "will take his shriveled hand without resistance and find him smiling as his step draws near." I have thought more than once of the familiar lines—

> 'Tis sweet to hear the watch-dog's honest bark
> Bay deep-mouth'd welcome as we draw near home.

Therefore, Mr. President, as I have never found occasion to point out inconsistencies in others, which is easily done, I am quite indifferent to the charge if made against myself.

Nevertheless, I should hesitate, Mr. President, very long before advocating the removal of this duty if I thought it was truly protective or of any advantage to the great class which it is designed to protect. I should hesitate still longer if the industry in whose behalf I speak was a local or a sectional industry, or if the article covered by the duty was a local or a sectional production.

Let me first, Mr. President, state briefly the history of the hide industry. For seventy years hides were free; for thirty years they have been dutiable. From 1789 to 1842 they were free. They were dutiable first in the tariff of 1842. There was a deficit to be met and a revenue duty of 5 per cent was put upon hides. It was reduced in 1857 to 4 per cent, raised in March, 1861, to 5 per cent, and in August, 1861, when every resource of taxation had to be drawn upon, to 10 per cent.

Mr. WARREN. Will it interrupt the Senator to ask him if he can tell us whether that applied to all hides and skins at that time and in all that period?

Mr. LODGE. Certainly; I was merely tracing it. At that time it was put on as a revenue duty to raise money.

Mr. WARREN. And therefore amounted to far more than the present duty on the small amount of hides now dutiable.

Mr. LODGE. My only object is simply to give the history of the duty on hides. There was a duty of 10 per cent in 1861. It was put on in war time, when they put a tax on everything in order to raise money from every possible source.

In 1872 the hide duty was removed. Hides were left free in the tariffs of 1875, 1883, 1890, and 1894.

Mr. WARREN. I was under the impression that in 1890 there was the imposition of a cent and a half a pound under certain conditions on the importations from certain countries.

Mr. LODGE. That was one of the reciprocity provisions. I should not say that this tariff imposes a duty on tea and coffee because under the maximum and minimum, under certain conditions, it might be imposed. It never was imposed, as a matter of fact.

Mr. WARREN. I think the Senator will find it was necessary later to except certain contracts that had been made that were being carried out under that provision.

Mr. LODGE. No duties were collected under it. At that time the question was mooted of putting a duty on hides, and Mr. Blaine, who was then Secretary of State, wrote a letter to Mr. McKinley, who was chairman of the Ways and Means Committee, April 10, 1890.

APRIL 10, 1890.

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

Yours, hastily, JAMES G. BLAINE.

Mr. McKinley so far agreed with him that he did not put the duty in the bill; and if I err as a protectionist in my attitude on hides, I err in good company. There never have been two greater protectionists than Mr. Blaine and Mr. McKinley.

Mr. DIXON. Mr. President——

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

Mr. LODGE. I do.

Mr. DIXON. The assertion which the Senator from Massachusetts has just read from Mr. Blaine's letter was that he undoubtedly believed at that time that an imposition of a duty on hides would raise the price of women's and children's shoes from 5 to 6 per cent, was it not?

Mr. LODGE. That is what he said.

Mr. DIXON. As a matter of fact, Mr. Blaine was wrong in his belief that that would be the result, was he not? Has not the experience of the last twelve years—during which time we have had a duty on heavy hides which only go into the soles of shoes, which the shoe men themselves admit, but under the most strained construction, would add about 3 cents to a pair of men's shoes—proved that Mr. Blaine was wrong in his assumption?

Mr. LODGE. I do not care to enter into a discussion about shoes at this time. There are certain boots and shoes that may be made entirely, or practically entirely, from dutiable hides. They are chiefly the large heavy shoes worn by workingmen. The shoes we export are principally of the finer grade, and dutiable hide is used only in the soles of the finer grade of shoes; but the heavy shoes, which are sold by the million, are made in all parts of the dutiable hides. I have the shoes, the different parts, and the whole thing here, and those shoes have very much advanced in price. I do not say it is because of the duty on hides, but it is owing to the general advance in the price of hides.

Mr. DIXON. I want to ask the Senator whether or not, as a matter of fact, in using Mr. Blaine in support of his present contention, Mr. Blaine was not absolutely wrong in the light of the experience of the last twelve years when he said it would add from 5 to 8 per cent to the price of shoes?

Mr. LODGE. I do not know what would have happened in 1890 if the duty had been added. I can not undertake to tell. It is a hypothetical question. I am not concerned in Mr. Blaine's argument.

Mr. CARTER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Montana?

Mr. LODGE. I do.

Mr. CARTER. I suppose the Senator from Massachusetts will readily admit that nothing more disastrous could have occurred from a Republican point of view than occurred in consequence of the McKinley tariff bill?

Mr. LODGE. There is no doubt it was beaten; but it was not beaten owing to the duty on hides.

Mr. McLAURIN. Will the Senator from Massachusetts allow me to offer an amendment to the amendment, as I may be called from the Chamber, and I should like to have it pending?

Mr. BEVERIDGE. You can not do that under the rules.

Mr. McLAURIN. Yes; I can.

Mr. LODGE. I have no objection to yielding to the Senator from Mississippi if he wishes to offer an amendment.

The PRESIDING OFFICER. Does the Senator from Mississippi wish to have the amendment read?

Mr. McLAURIN. Yes; I should like to have the amendment read.

The PRESIDING OFFICER. The amendment proposed by the Senator from Mississippi will be read.

The SECRETARY. It is proposed to amend the amendment by adding:

The word "hides" as used in this bill shall be understood to include all skins of any and all kinds of cattle, of any weight or size of such skins, however small.

Mr. McLAURIN. I thank the Senator from Massachusetts for yielding to me.

The PRESIDING OFFICER. The Chair understands the amendment has been read for information.

Mr. McLAURIN. No, sir; the amendment has been read as pending to the other amendment.

The PRESIDING OFFICER. The amendment is offered as an amendment to the pending amendment.

Mr. LODGE. Mr. President——

Mr. WARREN. Will the Senator from Massachusetts yield to me a moment there?

Mr. LODGE. Yes.

Mr. WARREN. I simply want to call the Senator's attention to the fact that the letter of Blaine was written many years ago.

Mr. LODGE. Yes; I stated that.

Mr. WARREN. You did. The events have not carried out the prophecy that Blaine made.

Mr. LODGE. I did not say they had.

Mr. WARREN. Mr. Blaine in the meantime was one of the two Republican candidates who were not able to carry the country; and I think a review of where the votes were short might possibly throw some light upon the way that particular letter was received.

Mr. LODGE. Yes; but Mr. Blaine ran for the Presidency before that letter was written; so I do not think that letter had much effect on his running in 1884.

Mr. WARREN. His views, however, were as well known then as they were after he put them in writing.

Mr. LODGE. Yes; but the States which defeated him were not in the West and the States which largely nominated him were. Hides were free in the McKinley law. Hides were left free in the Dingley bill as it passed the House; but the duty was put on by the Senate. I was a Member of the Senate at that time, and my colleague, Mr. Hoar, and I were very much opposed to the imposition of the duty. The margin in favor of the bill, however, was a very narrow one, and Mr. Hoar and I decided that, obnoxious as this duty was to ourselves, our first duty was to secure the passage of that great measure, which we believed would be of immense benefit to the country, as it subsequently proved to be. I occupy no different attitude to-day, Mr. President. I desire simply to present the case as it stands in my mind to the country. The decision of the Senate and of the conference on the pending bill will be accepted by me in entire loyalty.

But, Mr. President, this general policy of the United States of leaving hides upon the free list has simply been the policy of all countries with large industrial establishments. Hides are free to-day, of course, in Great Britain and Ireland, which is a free-trade country, but they are also free in Austria-Hun-

gary, in Canada, in Denmark, in France, in Germany, in Italy, in the Netherlands, in Norway, and in Sweden. All those countries are countries with more or less high protection. Germany has a high protective tariff, but they leave hides free. They believe it is of great importance to their industries that they should be free. The countries in which hides are dutiable are Australia, which is an exporting country; Cuba, Greece, Japan, Mexico, Russia, Spain, Switzerland, and Turkey, practically none of them, except Japan and Switzerland, being industrial nations.

The reason for that policy, Mr. President, is that the supply of hides is not sufficient in any of those countries for the consumption. For instance, in England, France, and Germany, there is less than one head of cattle to each three of population. That of itself indicates the necessity of giving every opportunity to secure hides and skins required for the leather industry.

I want to say a word, as I have come to this point, about the extent of the use of leather. Unless they stop to think for a moment, people hardly realize what a necessity of life leather is. We all think first of boots and shoes. Yet leather is not only used to cover our feet, but it also binds our heads and covers our hands. It is used in the harness which we put upon our horses; it is used in saddles, with which we ride; it is not itself money, but it is the usual receptacle for money. We travel with it always; we run our machinery with it; we sit upon it every day in every chair that we occupy in this Senate. It is used throughout the furniture industry; and the books that we take in our hands are bound with it. Then there are the thousand and one articles of luxury and fancy into which it enters.

When the Senator from Montana [Mr. DIXON] spoke of paragraph 449 with a duty of 40 per cent, he referred to those articles like jewelry boxes, portfolios, etc., which do not carry an ounce of dutiable leather and which are very seldom made of hides.

This immense use of leather—and no substitute has ever been found for it—shows that it enters into the life of everybody in the country to a greater or less degree. It is so generally used that we are almost unconscious of its appearance.

Mr. WARREN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Wyoming?

Mr. LODGE. I think I would rather proceed, Mr. President.

Mr. WARREN. I will not disturb the Senator.

Mr. LODGE. It seems to me I am making no allegation to cause dispute at this point.

Mr. WARREN. With that challenge, I will say what I was going to say, though I had not desired to interrupt the Senator.

Mr. LODGE. I will yield.

Mr. WARREN. The Senator certainly is not going to maintain that there are no substitutes for leather, which are very largely entering into furniture and all the other uses which he has mentioned, and which are taking the place of leather.

Mr. LODGE. Oh, Mr. President, there are imitation leathers, of course, used in certain articles of that kind. I meant there are no substitutes for it in the great necessities that leather makes. There has no substitute been yet found for it in the making of boots and shoes; and when they put in what is called a "substitute," when they put in leather board, which has a little leather in it, mixed up with pasteboard, they put in what is not leather. There has nothing yet been found to take its place in belting that runs machinery; there is nothing yet found that will take its place securely as harness. I am not saying that other belts can not be used, but nothing can take the place of a leather belt in itself. There are imitations of leather, of course. You can see them in every fancy goods shop, but I am speaking of it as one of the great necessities, and there, I say, no substitute that will fairly take its place can be found.

Mr. President, I want now to call attention to the extent of the industry of boots and shoes and tanneries. I will not go into the question of the smaller industries, the manufacture of harnesses and other articles and which are found in nearly every village of the country. The census report for 1905 is the last that I have been able to obtain. It shows the extent of the boot and shoe industry and the tanning industry in that year as follows:

Extent of industry.

Boots and shoes (Bulletin No. 72).

Number of establishments, 1905	1,316
Capital	$122,536,000
Salaried officials, clerks, etc	8,811
Salaries	$8,706,682
Wage-earners	149,924
Total wages	$69,059,680
Miscellaneous expenses	$19,293,634
Cost of material used	$197,363,495
Value of products	$330,107,458

TANNERIES.

1905.

Number of establishments	1,049
Capital	$242,584,254
Salaried officials, etc	3,251
Salaries	$4,451,902
Wage-earners	57,239
Total wages	$27,049,152
Miscellaneous expenses	$12,498,501
Cost of materials used	$191,179,073
Value of products	$252,620,986

Boots and shoes in 30 States.
Leather tanned, etc., in 32 States.
Both or one in 36 States.

Mr. President, in the tanneries and shoe factories in this country there are employed as wage-earners, to say nothing of those who are receiving salaries, over 200,000 persons. They represent undoubtedly nearly a million people who are supported by their wages. They are an industrious, hard-working, and very intelligent class of labor. I want to say here, coming to the point with which I started, that these boot and shoe factories are in 30 different States; the tanneries are scattered over 32 States; and there are either tanneries or shoe factories or both in 36 States. Therefore, it is as far as possible from being a local industry, confined within narrow bounds. Mr. President, these industries have not grown up by high-tariff protection. The duties on sole leather have ranged from 10 to 20 per cent and 20 per cent on upper leather. Thirty per cent has been the highest duty on boots and shoes. It was fixed at 25 per cent in the present bill on account of a duty on hides being placed there; and 25 per cent is the highest duty in the present law. This is the fifth tariff revision I have seen, and I have never known any effort made by any maker of boots and shoes or by a tanner or a dealer in sole leather in any of these tariff revisions to get the duties advanced or to make any outcry with regard to the subject. The reason is simple. The industry has been built up largely and has achieved success by means of extraordinary inventions in shoe machinery. Some of the most remarkable machines that the wit of man has ever devised are the machines for making shoes. Those machines, and the intelligence of our workingmen, gave us the markets of the world, so far as the duties of other nations would admit us. We surpassed all the world in price; that is, we furnished cheaper and better shoes here in the United States than could be found anywhere else. Now that machinery is going into other countries. The United Shoe Machinery Company is selling its machines all over the world, and it is sending its agents with them. I think it is making them in other countries, too, and it is sending its agents to teach workingmen in other countries to use the machines. So our advantage is disappearing very rapidly. The competition in foreign markets is getting more and more severe for the American shoemaker.

Mr. DIXON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Montana?

Mr. LODGE. Certainly.

Mr. DIXON. The Senator from Massachusetts says that we are making shoes cheaper and better than they are made anywhere else in the world.

Mr. LODGE. I believe so.

Mr. DIXON. And this condition has taken place under the small duty of 15 per cent on hides, from which alone sole leather is made.

Mr. LODGE. It was built up by twenty-five years of free hides.

Mr. DIXON. I ask the Senator from Massachusetts if, since the day that the 15 per cent duty was put on heavy cattle hides—which only go into sole leather—if the exports of shoes and boots from the United States have not increased from 1897, when the duty went on, from $1,700,000 to over $11,000,000 last year.

Mr. LODGE. That is perfectly true.

Mr. DIXON. An increase of nearly 800 per cent.

Mr. LODGE. And the exports of sole leather have decreased.

Mr. DIXON. I beg to differ with the Senator from Massachusetts as to the exports of sole leather. The importer paying a 15 per cent duty, and having a rebate to him on the duty, absolutely can go into the market in competition with the world, because the duty he pays on Argentine hides is returned to him when he exports.

Mr. LODGE. Certainly.

Mr. DIXON. Then will the Senator from Massachusetts agree to the proposition that, if we put hides on the free list, we shall also put sole leather and boots and shoes in the same class and we will all vote for it?

Mr. LODGE. Mr. President, I will agree to put boots and shoes and sole leather on the free list if the Senate will vote to put paper on the free list, because wood pulp and pulp wood and logs, which are its raw material, are there, and if they

will also agree to put on the free list all the lumber because they let saw logs in free.

Mr. DIXON. I was addressing my remarks to the boot and shoe and leather schedule.

Mr. LODGE. Why should they be singled out from every other manufactured product?

Mr. DIXON. And why should hides of the western cattleman be singled out from any or every other product?

Mr. LODGE. Why should they let a saw log in free against the man who cuts one in the American forest?

Mr. DIXON. We are not discussing the saw-log schedule.

Mr. LODGE. I am discussing the saw-log schedule.

Mr. DIXON. I am not disagreeing wholly with the Senator from Massachusetts on that; but if we are going into the tariff-reform proposition and we are going to put hides on the free list—and nearly all of them come in now without duty—let us do the same with the products of the boot and shoe and sole-leather man.

Mr. LODGE. Very well. If we are going to adopt the principle that, because the basic raw material is admitted free, then every article of the finished product that comes from it is to be admitted free, I will live up to that principle in the shoe industry as in any other; but if you are going to let a pulp log in free, out of which to make paper, and put a duty on paper, and if you are going to admit a saw log out of which you make lumber free, and put a duty on lumber, then there is no justice in or reason for saying because you admit a hide free you must admit free everything that is made from it.

Mr. DIXON. But we are not exporters of paper, as I understand. Here is a case——

Mr. LODGE. It has been said on this floor a good many times that we are exporters of paper.

Mr. DIXON. Here is a case where we export $11,000,000 worth of shoes, and we make them cheaper than the outside world makes them, with a duty of 15 per cent on the hides out of which the sole leather is made.

Mr. ELKINS. I should like to ask the Senator from Massachusetts a question.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from West Virginia?

Mr. LODGE. Certainly.

Mr. ELKINS. As I understand, we have a shoe store in every city in the world.

Mr. LODGE. Hardly that.

Mr. ELKINS. I understand so; at least in every large city in the world.

Mr. LODGE. Oh, no, Mr. President. I think it is likely we have shoe stores——

Mr. ELKINS. An ex-governor of Massachusetts, Mr. Douglas, has shoe stores all over the world.

Mr. LODGE. I do not think Mr. Douglas sells many shoes abroad. Mr. Keith is the man who sells shoes abroad.

Mr. ELKINS. Well, Douglas and Keith both?

Mr. LODGE. I can tell the Senator where we have got stores and where we have not, if he cares to know.

Mr. ELKINS. I want to ask the Senator, outside of the saw-log proposition, which so bothers him, if we vote to put hides on the free list, will he vote to put shoes on the free list, outside of the log-paper question or anything else?

Mr. LODGE. No; because we do not do it in other cases.

Mr. ELKINS. But the Senator voted in other cases for the highest possible duty on the products of his section. I agreed with him, and I voted every time with him.

Mr. LODGE. I did not. I voted for a great deal lower duties on some products than I should like to have voted for.

Mr. ELKINS. But the Senator from Massachusetts has some reluctance in voting for products——

Mr. LODGE. Mr. President, the House put hides on the free list; it cut down every one of the products of dutiable hides; it cut sole leather down to 5 per cent ad valorem, which is really a merely nominal duty and no protection whatever; and shoes were cut from 25 to 15 per cent.

Mr. ELKINS. Is the Senator willing to have shoes go on the free list?

Mr. LODGE. No; I draw a distinction between articles of the higher grade of manufacture and the lower grade. Every differential in the bill recognizes that principle.

Mr. ELKINS. How would his argument apply to oil and petroleum?

Mr. LODGE. Petroleum?

Mr. ELKINS. Yes.

Mr. LODGE. Does the Senator want me to vote to put all products of petroleum on the free list?

Mr. ELKINS. I did not ask the Senator to do that.

Mr. LODGE. That is the point.

Mr. ELKINS. I said crude petroleum

Mr. LODGE. The crude petroleum?

Mr. ELKINS. Yes; does the Senator want that on the free list for the reason that he wants hides on the free list?

Mr. LODGE. Crude and refined petroleum and its products were all put on the free list by the House. I myself do not believe in putting a duty on oil, but to put all its products on the free list, some 260 in number, was to my mind an absurdity in legislation.

Mr. ELKINS. I want to try to persuade the Senator to vote for a duty on oil. I do not like to see him balk at his own argument. If he will apply it to the products of my State, I will be satisfied, possibly even more than I am satisfied with the Senator's votes in the Senate; and it would be a great deal to say that I could be more satisfied than I am. If he will apply that argument to coal and petroleum, we will go through with this bill very easily.

Mr. LODGE. Does the Senator want me to apply it to coal?

Mr. ELKINS. The Senator has got smelts and eels on the dutiable list.

Mr. LODGE. At a lower rate.

Mr. ELKINS. It does not make any difference——

Mr. LODGE. The Senator is a good judge of eels.

Mr. DIXON. I want to suggest to the Senator from Massachusetts, whom I have always followed in my political allegiance with a great deal of loyalty, if the lesson that he is now teaching the Senate and the American people is this: Take the duty off the raw material made here at home and cut the duty on the manufactured products, but only to the extent that we have taken it from the raw product, and leave the manufactured products in the same relative position behind the bulwark of the tariff that they were before. In good faith and good conscience and with all sincerity, would not this lesson, if accepted, inevitably lead us to the point where we would throw down the protective principle for absolute free trade with the world?

Mr. LODGE. I do not think so for a moment. The tariff bill is full of just such things. We admit gold and silver to this country free. Would the Senator argue from that that the manufactures of gold and the manufactures of silver ought to come in free?

Mr. DIXON. In all fairness, that is not a fair comparison.

Mr. LODGE. It is the same principle.

Mr. DIXON. But the Senator is arguing for free raw material. I think the Senator from Texas [Mr. BAILEY] enunciated a principle the other day that is absolutely unassailable. The minute you say to the producer of the raw material "we will not protect your product but will protect the manufactured product"—when you teach that to the people of this country and write it into the law, that day, I think, strikes the death knell to the protective tariff system in the United States. I know how difficult it is for men, under pressure from home and the various localities that are affected sometimes adversely, not to yield.

All of us have voted for schedules in this bill that in some respects may have been adverse to the communities in which we live. The inconsistencies of which the Senator from Massachusetts speaks are the weaknesses of this tariff bill. The fewer inconsistencies we have the better. We want to be prepared to go to the country and say that we have passed a tariff bill "on the square" that recognizes all sections and all industries.

Mr. LODGE. Mr. President, I do not want in any way to injure the strength of protection, in which I firmly believe, or the strength of the Republican party, and I do not think that the vote of my State at the last election indicated any decline in Republican principles. I think they have stood about as steadily by the Republican party as any State; but, Mr. President, I have recognized in this debate, as I have done in other tariff debates, that we all have our inconsistencies, if you choose to call them so. I do not happen to think that in this particular case there is any inconsistency in my position, for I do not regard the duty on hides as protective to the farmer and cattle breeder. I may have been inconsistent as to some matters in this as in every bill, but I do not think this is such a case. If it is an inconsistency, it seems to me totally unimportant.

Mr. CARTER. Mr. President——

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

Mr. LODGE. Yes, I yield.

Mr. CARTER. I ask the Senator if he will not concede that the tariff duties provided by the Wilson Act injuriously affected the manufacturing interests of New England?

Mr. LODGE. They injuriously affected the manufacturing interests of the entire country.

Mr. CARTER. I call the attention of the Senator to the fact that no protective tariff bill would have been written on the statute books of this country for the last twenty years had it not been for the votes of the States especially interested in protecting these ranchmen and farmers.

The Senator may as well now and henceforth understand that if everything we produce in the West and on the farms of this country is to be regarded by the manufacturers as a raw material, then the day has dawned when this system must fall. The Senator may as well take into account the fact that the farmer who sells the hide of the steer in open competition in the hide market of the world will no longer continue to pay a duty on the harness he puts on the horse or the shoes he puts on his feet.

Mr. LODGE. I yielded for a question and not for a speech.

Mr. CARTER. I will be glad to make this more clear to the Senator a little later on.

Mr. LODGE. I have no doubt of it. The Senator himself can see that it is only fair to let me complete my argument and not have a whole speech interjected.

Mr. CARTER. I think the Senator might possibly profit——

Mr. LODGE. I always profit by what the Senator from Montana says.

Mr. CARTER. It is well for the Senator to be advised of the condition in the Senate on the subject to which he is now addressing himself. He is a member of the Committee on Finance—a committee followed with a fidelity scarcely matched in parliamentary history on this floor. I want to say that before the voting on this subject is over that which he does not want will go with that which he so earnestly pleads for.

Mr. LODGE. Oh, well, Mr. President, there is no use in indulging in threats. I have the same right that every other Senator has to present what he thinks the proper view. The Senator from North Dakota, who is also a member of the Finance Committee, advocated, and very ably advocated on this floor, free lumber. It seemed to me it would have been needless to use such language to him. The Senator from Maine only the other day, although he was not present, was recorded as being against the committee on the duty affecting carded woolens. We can not select each other in this way and say, "If you advocate what you think right, you are to be read out of the party and your industries are to be ruined." Let us try to decide each question on its merits as it comes up.

Mr. CARTER. That is what I propose to do.

Mr. TILLMAN. Mr. President——

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

Mr. LODGE. Certainly.

Mr. TILLMAN. I just simply want to make an inquiry as to how it is that the cordial agreement which has existed between the Senator from Montana and the Senator from Massachusetts has been broken up? I have watched the votes, and seen the lead of the Senator from Rhode Island with the Senator from Massachusetts close behind, followed always by the Senator from Montana. I thought the understanding was that the hide of the sheep growing wool, which was clipped, leaving the sheep on the ranch, must be protected, and I can not see why the hide of a cow or of a steer, after the steer has been killed and his carcass shipped off somewhere and therefore he is no longer an asset, should differ from the sheep hide; and the Senator from Massachusetts has been so eager to protect the wool off the hide that I do not see why he does not protect the hide off the steer..

Mr. LODGE. You can take the wool off the sheep every year, but you can take the hide off the cattle but once.

Mr. TILLMAN. I know. Therefore the steer's hide is the article that needs the greater degree of protection, because you can only protect it once, while you protect the sheep every year. [Laughter.]

Mr. LODGE. The sheep needs it every year. The hide needs it only once.

What the Senator from Montana has said leads me very naturally to the next point I was about to make and with which I started—this idea that cattle raising is a local industry. There is no greater mistake in the world. Vermont has more cattle than Utah. It has more cattle than Idaho. In New England alone, in that small area, there are over a million and a half of cattle. I include milch cows and other cattle in both cases.

Mr. CARTER. The Senator will discern by consulting the figures and the facts that under the free-hide system the individual in Vermont, being near the market, can get some price, whereas, as has been suggested by the Senator from Montana, the free-hide competition with the Argentine, taken into account in connection with the freight rates, leaves the man in Wyoming or Montana the only alternative of letting the hide bleach on the plains or bury it in the ground.

Mr. LODGE. The man in New England or New York is a great deal nearer the Argentine competition than Wyoming.

Mr. CARTER. He is nearer the tanner. He can sell the hides for something, and the freight rate does not consume the whole.

Mr. LODGE. Tanners are scattered all over this country in thirty-two States.

Mr. CARTER. In our country we have no tanners.

Mr. WARREN. I said I would not interrupt the Senator——

Mr. LODGE. I am delighted to have the Senator interrupt me.

Mr. WARREN. I am interested in his argument, and I think it will not detract from it for me to say that the cattle he speaks of in Vermont and in New England are very largely milch cows. That is right, is it not?

Mr. LODGE. About half and half in Vermont.

Mr. WARREN. The cows are kept for dairy purposes and are only turned into beef, if turned at all, when along in years—12 or 15 years old, perhaps—whereas the steer raised for beef is turned in at 1, 2, and 3 years old. Therefore a State in New England which might exceed a State in the West in the number of its cattle, in the number of dutiable hides would fall very far short.

Mr. LODGE. A milch cow is raised primarily for dairy purposes. The steer sent to Chicago is raised primarily for beef purposes. No cattle in the world have ever been raised for their hides or ever will be. The primary purpose in the one case is the dairy, and in the other it is the beef.

I know there is a difference in the life of the animal, but the hide is just as important to the dairyman as it is to the stock raiser and just as much protected. But no farmer in the East that I ever heard of thought that the duty was of the slightest benefit to him. I did not mention this, however, to dwell on that point. I did it merely to show that this great ownership of cattle is common to the entire country.

Now, there are $40,000,000 worth of cattle in the New England States alone. If this duty is of value to the cattle, I am asking to have it taken off of a product of my own part of the country just as much as off the product of another part of the country. Cattle are in every State.

Mr. CULBERSON. Mr. President——

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

Mr. LODGE. I do.

Mr. CULBERSON. The Senator from West Virginia [Mr. ELKINS] asked the Senator from Massachusetts if he would vote for free shoes and free hides. I do not know that I caught the answer.

Mr. LODGE. My answer was no, Mr. President.

Mr. CULBERSON. Would the Senator permit me on that subject to read four or five lines from a shoe manufacturer on that subject, which I happen to have preserved?

Mr. LODGE. Certainly. I have no objection.

Mr. CULBERSON. It is addressed to me. I presume all Senators had one of the same kind, but I happened to preserve this one.

THE WOLFE BROTHERS SHOE COMPANY,
Columbus, Ohio, March 29, 1909.

Senator CHARLES A. CULBERSON,
Washington, D. C.

DEAR SIR: As one of the largest manufacturers of shoes in the country, we urge you to lend your influence to place shoes on the free list.

The American shoe manufacturer needs no protection. With free hides and cheap raw material the American shoemaker can shoe the world.

Very respectfully,

THE WOLFE BROS. SHOE CO.,
R. F. WOLFE, *President.*

I would be glad to have the observations of the Senator from Massachusetts with reference to this reciprocal proposition from Ohio.

Mr. LODGE. That letter was produced in the House of Representatives, and it is entirely familiar to me. There are certain——

Mr. DANIEL. If I do not interrupt the Senator from Massachusetts, I should like to lay before him and the Senate for their consideration another declaration made to the same effect by Governor Douglas, one of the leading shoe men of the country. I refer to William L. Douglas, late governor of Massachusetts. Here is what he says on this subject:

All we ask is a fair field, and no favor either in our own or in foreign markets. Take away the duties that prevent us from obtaining leather at the same prices paid by our foreign competitors and we will not only hold our own market, with or without a duty on shoes, but we will invade foreign markets on an extensive scale. In doing so we will provide additional work and good wages for our boot and shoe workers.

That is from Governor Douglas.

Mr. LODGE. Yes, I have the letter here. I think Governor Douglas altered his views a little on that point subsequently, but the fact is that there are certain grades of shoes which require no protective duty at all. There are other grades of shoes which are exposed to competition, and they are not the shoes affected by the dutiable hides. They are the finer grades, chiefly women's and children's shoes. That branch of the manufacture—and it occurs in certain towns in my State—has taken no

interest in the free-hide agitation. They prefer to let the duty remain on everything. But from my point of view it is necessary to look at what is the general interest of the entire industry, and it seems to me and has seemed all along that the interests of the industry would be in free hides and much lower duties than are now imposed by the Dingley law.

Mr. DANIEL. Will the Senator permit me again for just a moment?

Mr. LODGE. Certainly.

Mr. DANIEL. I have received a bushel or more of mail on this matter, and I have read everything that came; and I notice it is a very frequent expression of the manufacturers that if you will remove the hide-tax impediment, which is a very remote and very small interest of the farmers, they are ready and anxious to make their assault on the world's markets. They are at such a degree of perfection and readiness to work that, if you will not impede them in that work, they can hold themselves in advance of the world on the subject of shoes.

Now my question is this: The Senator is more familiar with the status of affairs than I am. I should like to ask him what reduction in the finished product he is willing to favor? I expect to vote for free hides, because I think it is a great step in the right direction, but I should like also to go as much farther as is possible.

Mr. LODGE. I think the reductions made by the House were sufficient.

Mr. President, the Senator from Montana alluded to the western agricultural interests as possibly not being taken care of. It seems to me we have done pretty well always for the agricultural interests. I have voted repeatedly, and have done so gladly, for all the duties. I want to call attention to the duties, not to find fault with them in the least, but simply to show that when they are massed together the farmer and the stock raiser and the agriculturist are not neglected. I take the average ad valorem—which I have had calculated by the expert of the Finance Committee—on agricultural products. Take raw sugar. The protection is based on the beet. It is the interest of the agriculturist, of the farmer, which leads us to protect the sugar interests. The average duty on raw sugar is 64.75 per cent; on wool, not manufactured, 40.39; on tobacco the average duty is 86.58; on fruits the average duty is 41.81; on wines, 70.17; on maple sugar, 49.65; on glucose or grape sugar, 55.39; on live animals, 20.86; on breadstuffs and farinaceous substances, 33.42; on dairy products, 35.15; on farm and field products, 34.73; on meat products and vinegar, 19.32. The average of all the duties is 46.01 per cent, which is just about the average of the entire tariff.

In this particular bill there have not been many increases. Very few of the increases have occurred in the industrial schedules. But I have here a table of increases in the agricultural schedule, and I find that live animals have been increased 25 per cent; buckwheat flour, 25 per cent; oats, 33.33 per cent; rice, cleaned, 33.33 per cent; rye, 100 per cent; wheat, 20 per cent; hops, 25 per cent; split pease, 12.50 per cent; plants, etc., 9.83 per cent; figs, 25 per cent; dates, 100 per cent; olives in other coverings, 33.33 per cent; grapes, 25 per cent; lemons, 50 per cent; and decreases have been made on corn meal, pease, green, in bulk, etc., seeds, celery, tallow, and starch, all other than potato. I will ask that these tables be printed in the RECORD.

The VICE-PRESIDENT. Without objection, the tables referred to will be printed in the RECORD.

The tables are as follows.

Average ad valorem on agricultural products.

Raw sugar	64.75
Wool, not manufactured	40.39
Tobacco, manufactured	86.58
Fruits	41.81
Wines	70.17
Maple sugar	49.65
Glucose or grape sugar	55.39
Live animals	20.86
Breadstuffs and farinaceous substances	33.42
Dairy products	35.15
Farm and field products	34.73
Meat products and vinegar	19.32
Average of these duties	46.01

Treatment of agricultural duties in this bill.

INCREASES.

Paragraph.	Article.	Increase.
		Per cent.
226	Live animals	25
230	Buckwheat flour	25
234	Oats	33.33
236	Rice (cleaned)	33.33
237	Rye	100
238	Wheat	20
256	Hops	25
258	Split peas	12.50

Treatment of agricultural duties in this bill—Continued.

Paragraph.	Article.	Increase.
		Pev cent.
260	Plants, etc	9.83
271	Figs	25
271	Dates	100
271	Olives in other coverings	33.33
272	Grapes	25
273	Lemons	50

DECREASES—SCHEDULE G—AGRICULTURAL PRODUCTS AND PROVISIONS.

Paragraph of Senate bill.	Article.	Rates of duty—		Percentage of reduction.
		Present law.	Senate bill.	
				Per cent.
232	Corn meal	20 cents per bushel of 48 pounds.	40 cents per 100 pounds.	4.00
258	Pease, green, in bulk, etc.	40 cents per bushel	25 cents per bushel.	37.50
262	Seeds, celery	30 per cent	10 cents per pound.	51.07
286	Tallow	¾ cent per pound	½ cent per pound.	33.33
292	Starch, all other than potato.	1½ cents per pound	1 cent per pound.	33.33

Mr. LODGE. I do not cite those duties for any other purpose than to show that there is certainly no intention or disposition on the part of myself or anybody else who thinks as I do about the question of hides to treat unfairly the great agricultural interest.

Mr. CARTER. Mr. President——

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

Mr. LODGE. Yes.

Mr. CARTER. I think it well to state at this point that the great staples referred to are generally produced in this country in excess of home necessities and constitute our bulk of exports. That is true of wheat and meat products, and undoubtedly of corn. The duty on corn is as ridiculous as would be a duty on cotton.

Mr. LODGE. What has seemed to me the most vital point in this question has been the relation between the prices of hides and cattle, and I think that is the essential part of it. If the duty is not a benefit to the farmer and the stock grower, I doubt if anyone will think it necessary to keep it on for the benefit of the packers or for the benefit of the other trusts which may be in the business. It rests, as it must rest, on the question whether it is of benefit to that great element of the American people on whom in the main the entire prosperity of the country depends.

I have tried to study this question as well as I could. I have compared the population and the number of cattle, to see whether the cattle kept pace with the demand, and I find that, in proportion to the population, there is no substantial increase. There is still less than one head of cattle to one person in the United States. That means that we must import a certain amount of leather for our own consumption. Of course, they take very good care that all the sole leather they export shall be made from imported hides, because they get a drawback, and that the shoes they export shall be as far as possible from imported hides. Unfortunately, the shoes which they export carry only a very small amount of dutiable hides, but there remains a great mass of foreign hides which are needed in our own consumption. The world supply of hides and skins of all kinds is getting short in comparison with the consumption, just as the supply of what might be called the edible animals is becoming short. It is not increasing as fast as the demand.

Mr. McCUMBER. Mr. President——

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

Mr. LODGE. Certainly.

Mr. McCUMBER. Can the Senator tell us why we are not producing a sufficient number of hides to supply the entire American demand?

Mr. LODGE. I can not tell the Senator why. I can only tell him that that is the fact and always has been the fact.

Mr. McCUMBER. Will the Senator allow me then to tell him why? We have the field, we have the plains upon which to raise this stock. If you give us the protection that we ought to have, as much protection as you get for your manufactured products, if you will give us the protection that will keep out the Argentine hides, in ten years—because it takes some time to build up the hide industry, in raising the stock—we will produce all the hides you need in the United States. The reason we do not produce them is because it does not pay to produce them, as we are importing one-fourth of the number to-day, and the little 15 per cent duty does not keep them out; and even of those that we are importing, a great proportion goes out again in

exporting shoes and so forth without paying duty. That is why we do not furnish all the hides we need.

Mr. LODGE. I do not believe any possible duty that could be put on could induce the raising of cattle simply for their hides. The demand for beef is very great and the price is high, to the consumer at least, and yet there is no increase as there ought to be to meet the needs. The edible animals of the world are falling short of the demand. The demand is outrunning the supply.

Now, Mr. President, I tried next to get at the average prices. I took them by decades, beginning in 1867 and running to 1872. I took that period of five years first in order to cover the time when there was a duty on hides, and then by decades.

I found that the average price in those forty years of all cattle was $21.96; for milch cows, $26.36; and for other cattle in the forty years, $17.57. The highest average of any decade was between 1883 and 1892, when the average price of "other cattle" was $18.90 and there was no duty. The next highest was between 1898 and 1908, $18.80, when there was a duty. It does not seem to me that those figures indicate any great effect of the duty upon the price of cattle.

Mr. WARREN. Will the Senator allow me there?

Mr. LODGE. Certainly.

Mr. WARREN. About 1895 or 1896 the value was $14 and a little over.

Mr. LODGE. From 1893 to 1897, which I put separately, as I thought it was the worst period, it was $15.

Mr. WARREN. The Senator will find, if he takes one year more, it was $14 plus.

Mr. LODGE. I have no doubt of it. We had free hides then unquestionably, and we had free hides between 1883 and 1892, when the average price was $18.90.

Mr. WARREN. We did not have the proportion of cattle then to the population that we have to-day.

Mr. SCOTT. Will the Senator yield to me for a moment?

Mr. LODGE. Certainly.

Mr. SCOTT. I really feel sorry for the Senator from Massachusetts in attempting to make a free trade speech when we know he is a good protectionist. I think we ought all to sympathize with him.

Mr. LODGE. The Senator need not worry over it. I am not making a free-trade speech, although he can not understand that fact. I am not in the least disturbed at anything of that sort. If the Senator had been here earlier he would have heard what I had to say about inconsistencies.

Mr. SCOTT. I heard the Senator.

Mr. LODGE. When I was interrupted I was considering the point which the Senator from Wyoming made. The number of cattle in 1890 was 52,000,000; population was 62,000,000. I take census years for the comparison. There were 10,000,000 less cattle than people.

Mr. WARREN. Perhaps the Senator will tell us, then, what we had in 1895.

Mr. LODGE. We had in 1897 46,000,000 cattle and in 1900 43,000,000.

Mr. WARREN. If the Senator will take it from that time on, he will find that the proportion is larger to-day per capita than it was then.

Mr. LODGE. The proportion to-day is 71,000,000.

Mr. WARREN. I will say that the number reported by the Boot and Shoe Recorder shows 73,000,000.

Mr. LODGE. I have taken the figures of the Agricultural Department, and they show a decline of 2,000,000.

Mr. WARREN. I thought the Senator wanted the benefit of the boot and shoe authority here, and they make it 73,000,000.

Mr. LODGE. No, I prefer the figures of the Agricultural Department, which make it less.

Mr. President, I have been unable to detect in those figures that the duty had any effect. Perhaps the Senator from North Dakota is correct, and the duty is too small, but we are discussing the duty reported by the committee, and it seems to me to be totally ineffective in raising the price of cattle.

I examined very carefully the price list to see if the price of cattle and the price of hides moved together. That seems to me to be a very important point. I have here comparisons of top prices running over a series of years from 1896 to 1905, which I will ask to have printed. I will not trouble the Senate with reading them.

The VICE-PRESIDENT. Without objection, the matter will be printed.

The matter referred to is as follows:

Boot and Shoe Recorder, May 12, 1909.

	Price of native steers on hoof per 100 pounds.	Percentage advance since April, 1897.	Price of heavy native hides per pound.	Percentage advance since April, 1897.	Price received by cattle growers for 50-pound hides.	Price received by beef packers for same hide.	Beef packers' gross profit on hide.	Beef packers' percentage of profit on hide.
1897:		*Per cent.*		*Per cent.*				*Per cent.*
April 3	$5.40		$0.09		$2.70	$4.50	$1.80	66⅔
July 3	5.15	D 5	.09		2.58	4.50	1.92	74
October 2	5.50	A 2	.10½	16	2.75	5.25	2.00	91
1898:								
January 1	5.40		.11	22	2.70	5.50	2.80	103
April 2	5.50	2	.11½	25	2.75	5.62	2.87	104
July 2	5.35	D 1	.12½	39	2.68	6.25	3.57	133
October 1	5.85	A 8	.11⅞	32	2.93	5.90	2.97	101
1899:								
January 7	5.95	10	.11½	28	2.98	5.75	2.77	93
April 1	5.80	7½	.11¾	30	2.90	5.88	2.98	103
July 1	5.75	8	.12	33	2.89	6.00	3.11	107
October 7	7.00	28	.13½	47	3.50	6.62	3.12	89
1900:								
January 6	7.25	34	.13¾	53	3.63	6.87	3.24	90
April 7	5.80	7½	.13½	46	2.90	6.56	3.66	126
July 7	5.70	5½	.11	22	2.85	5.50	2.65	93
October 6	6.00	11	.11¼	25	3.00	5.62	2.62	87
1901:								
January 5	5.50	2	.12	33	2.75	6.00	3.25	118
April 6	6.25	16	.10½	16	3.13	5.25	2.12	68
July 6	6.40	19	.12¾	42	3.20	6.38	3.18	99
October 5	6.85	27	.13	44	3.43	6.50	3.07	89
1902:								
January 4	7.75	44	.14	55	3.88	7.00	3.12	80
April 5	7.50	39	.12¼	36	3.75	6.12	2.37	90
July 5	8.50	57	.13	44	4.25	6.50	2.25	53
October 4	8.30	43	.14¼	58	4.15	7.12	2.97	71
1903:								
January 3	6.65	23	.13¼	47	3.33	6.62	3.29	99
April 4	5.60	4	.11¼	25	2.80	5.62	2.82	101
July 4	5.60	4	.12	33	2.80	6.00	3.20	114
October 3	6.00	11	.12	33	3.00	6.00	3.00	100
1904:								
January 2	6.65	23	.11¼	25	3.33	5.62	2.29	69
April 2	5.80	7½	.10½	19	2.90	5.33	2.65	91
July 2	6.65	23	.11¼	25	3.33	5.62	2.29	69
October 1	6.55	21	.10¼	19	3.78	5.33	1.55	41
1905:								
January 7	6.00	11	.13¾	53	3.00	6.82	3.82	127
April 1	6.35	18	.13½	50	3.18	6.75	3.57	112
August 5	5.90	10	.15½	72	2.95	7.75	4.80	163
September 23	6.40	19	.15½	72	3.20	7.75	4.55	142
General average		15¾		36				96
April 6, 1906	6.00	11	.14¼	66	3.00	7.37	4.37	146
April 6, 1907	6.80	26	.15	67	3.40	7.50	4.10	121
April 4, 1908	7.00	30	.10½	14	3.50	5.13	1.63	45
April 3, 1909	7.00	30	.14¼	58	3.50	7.13	3.63	104

The above prices of cattle are taken from monthly summaries of United States Department of Commerce and Labor, for the specific dates mentioned. The prices of hides are taken from a table of "Comparative prices of leather and hides for ten years," published in the Shoe and Leather Reporter of August 10, 1905, and later numbers. The prices of both beef cattle and hides for the years of 1906, 1907, 1908, and 1909 are taken from market reports of Chicago papers.

Receipts and prices of cattle and hides at Chicago.

Fifty-two weeks of 1896.	Cattle at the stock yards.		Top price per 100 pounds for cattle on the hoof for each week.			Packers' native steers.	Packers' Texas steers.	Packers' Colorado steers.	Packers' heavy butt-branded steers.	Packers' heavy native cows.	Packers' light native cows.	Packers' branded cows.	No. 1 country buffs.	No. 1 country extreme light hides.	No. 1 country calfskins.
	Receipts.	Slaughter.	Native steers.	Texas steers.	Cows and heifers.										
	No.	*No.*	*Dollars.*	*Dollars.*	*Dollars.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*
January 1 to 4	22,062	8,287	4.75	3.75	3.75	8¾	7½	6½	7½	7½	7¾	6½	7½	8	9½
Week ending January 11	56,769	40,537	5.00	4.30	4.00	8½	7½	6½	7½	7¾	8	6½	7	7½	9
Week ending January 18	62,025	44,617	4.85	4.25	3.75	8½	7¼	6½	7	7¾	8	6½	7	7¼	9
Week ending January 25	50,036	33,923	4.80	4.13	4.10	8¼	7	6¼	7	7½	7¾	6½	6½	7	9
Week ending February 1	47,675	22,272	4.70	3.85	4.00	8	7	6	7	7½	7½	6	6½	6¾	9
Week ending February 8	39,475	23,387	4.75	4.00	4.00	8¼	7	6½	7	7½	7½	6½	6¾	7	8½
Week ending February 15	50,532	30,832	4.65	3.95	3.85	8¼	6⅞	6½	7	7¾	8	6½	7	7¼	8½
Week ending February 22	56,778	37,340	4.50	3.90	3.85	8¼	6¾	6½	7	8	8	6½	6¾	7	8½
Week ending February 29	44,908	28,365	4.65	3.75	3.80	8¼	6¾	6	7	8	8	6½	6¾	7	8¼
Week ending March 7	44,116	26,802	4.75	4.10	3.80	7¾	6½	5¾	6¼	7¼	7½	6½	6½	6¾	8
Week ending March 14	43,413	28,215	4.70	4.15	3.85	7½	6¼	5¾	6¼	7	7¼	6½	6¼	6¼	8
Week ending March 21	55,565	37,250	4.70	4.40	3.85	7	6	5½	6	6½	6½	6	6	6¼	8
Week ending March 28	46,143	26,933	4.50	4.00	3.85	6¾	6	5¼	5¾	6¼	6¼	6	6	6¼	8
Week ending April 4	28,883	18,307	4.50	3.95	3.95	6¾	6	5½	5¾	6½	6½	6	6	6½	7¾
Week ending April 11	43,006	27,741	4.75	4.00	3.80	6¾	6	5½	5¾	6½	6¾	6	6	6¼	7¾
Week ending April 18	44,536	28,811	4.75	4.10	3.95	6¾	6	5½	6	6½	6¾	6	6	6¼	7¾
Week ending April 25	50,309	32,643	4.20	3.80	4.00	6¾	6¼	5½	6	6½	6¾	6	5¾	6¼	7¾
Week ending May 2	39,913	19,892	4.25	3.55	3.90	7	6½	5¾	6½	6½	6¾	6¼	5¾	6¼	7¾
Week ending May 9	56,202	38,702	4.55	4.10	4.10	7½	6¾	5½	6¾	6½	6¾	6¼	5¾	6¼	8
Week ending May 16	43,310	30,573	4.40	4.15	3.90	8	8	6½	7	7	7	6½	6½	7	8½
Week ending May 23	47,492	31,827	4.30	3.90	4.10	8¼	8¼	7	7¼	7¼	7½	7	6½	7¼	8¾
Week ending May 30	52,803	41,381	4.40	4.25	4.25	8½	8¼	7	8	7¼	7½	7	6½	7¼	9
Week ending June 6	47,428	33,683	4.50	3.85	4.00	8½	8¼	7	8	7¼	7½	7	6½	7¼	8¾
Week ending June 13	44,296	31,951	4.45	3.85	4.00	8½	8¼	7	8	7¼	7½	7½	6½	7¼	8½
Week ending June 20	48,963	36,782	4.50	3.75	4.00	8½	8½	7¼	8	7	7½	7¼	6½	7	8¼
Week ending June 27	48,947	34,365	4.55	4.08	4.10	8¾	8¾	7½	8¼	7¼	7½	7½	6½	7¼	8½
Week ending July 4	48,719	32,884	4.65	4.10	4.10	8¾	8¾	7¾	8½	7½	7½	7½	6¾	7¼	8¾
Week ending July 11	43,915	31,659	4.50	3.75	4.35	9	8¾	7¾	8½	7½	7½	7¾	6¾	7¼	8¾
Week ending July 18	51,994	37,247	4.55	3.50	4.00	8¾	8½	7½	8¼	7½	7½	7¾	6¾	7½	8¾
Week ending July 25	53,442	39,131	4.45	3.50	3.90	8	8	7	7½	7	7	7	6¾	7½	8½
Week ending August 1	46,542	31,827	4.60	3.15	4.25	7	7	6	6½	7	7	6	6½	7	9
Week ending August 8	51,411	35,338	4.65	3.25	4.15	7	7	5¾	6¼	7	6¾	5¾	5¾	7	9
Week ending August 15	52,339	36,671	4.75	3.15	4.25	6¾	6¾	5¼	6	6½	6¼	5¼	5½	7	9
Week ending August 22	57,469	40,966	4.85	3.60	3.90	6¾	6½	5¼	5¾	6	6	5	5½	6½	8¼
Week ending August 29	56,002	39,065	4.90	3.50	4.25	7½	6¾	5½	6	6¼	6¼	5½	5½	6½	7½
Week ending September 5	63,079	42,902	5.00	3.25	3.60	8½	6¾	6¼	7	7½	7½	6¼	6¾	7½	7
Week ending September 12	59,233	40,040	5.30	3.00	3.85	8½	7¼	6¼	7¼	7½	7¼	6½	7	7½	8
Week ending September 19	61,000	40,357	5.10	3.00	3.25	8½	7½	6½	7½	8	8	6¾	7	7¾	8⅞
Week ending September 26	44,980	28,991	5.10	3.00	3.50	8¾	7	6½	7½	8	8	6¾	7½	8	9¼
Week ending October 3	57,683	41,282	5.10	3.30	4.05	9	7¾	6¾	7¾	8¼	8¼	7	7¾	8	9½
Week ending October 10	55,833	38,413	5.15	3.10	3.70	9	8	7	8	8½	8½	7	8	8¼	10
Week ending October 17	57,883	39,919	5.25	3.15	4.25	9¼	8¼	7¼	8	9	9	7¾	8	8¼	10¼
Week ending October 24	55,608	39,350	5.15	4.10	3.35	9¼	8¼	7¼	8¼	9	8¾	7½	8	8¼	9¾
Week ending October 31	40,714	23,848	5.15	3.50	3.30	10½	9½	8½	9½	10	10	8½	9½	9½	10½
Week ending November 7	36,857	27,440	5.25	3.95	3.85	10¼	8½	8	8¾	9½	9½	8	8¾	9½	11
Week ending November 14	53,876	40,576	5.35	4.50	3.85	10½	9	8	7	9¼	9¾	8	9	9½	10½
Week ending November 21	62,061	43,859	5.10	4.25	3.85	10¼	8½	8	8¾	9¾	9¾	8	9	9¼	11½
Week ending November 28	42,390	28,936	5.35	4.25	3.90	9¾	8¾	7¾	9	8¾	8¾	7¾	8¼	8½	11
Week ending December 5	54,950	38,637	5.60	4.40	3.75	9¼	8¼	7½	8¼	8½	8½	7½	8	8¼	10½
Week ending December 12	55,950	40,187	5.90	4.25	3.70	9	8	7	8	8½	8¼	7¼	7½	8	10½
Week ending December 19	42,156	26,774	5.85	4.95	4.15	9	8	7	7¾	8¼	8¼	7¼	7¾	8¼	10½
Week ending December 26	35,432	23,311	5.50	4.25	4.00	9½	8½	7¾	8¼	9	9	8	8	8½	10¾
December 26 to December 31, 1896	41,354	27,622	5.35	4.15	3.80	9½	8¾	7¾	8½	9	9¼	8	8¼	8½	10½

Total 1896.....2,600,746 1,782,420
Total 1895.....2,588,558 1,803,466

Saturday.	Cattle at the Chicago stock yards during week.		Top price per 100 pounds for cattle on the hoof for each week.			Hides.							
	Receipts.	Slaughter.	Native steers.	Texas steers.	Cows.	No. 1 packers' native steers.	No. 1 packers' Texas steers.	No. 1 packers' Colorado steers.	No. 1 packers' heavy butt-branded steers.	No. 1 packers' heavy native cows.	No. 1 packers' light native cows.	No. 1 packers' branded cows.	No. 1 country buffs.
1907.	*No.*	*No.*	*Dolls.*	*Dolls.*	*Dolls.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*
January 5	61,005	37,953	7.20	5.75	5.75	16½	15¼	14¼	14½	15½	15½	14¼	13
January 12	71,475	44,604	7.15	5.75	5.25	16½	15½	14¼	14½	15¼	15	14¼	13
January 19	77,266	47,841	7.30	5.75	5.85	16½	15½	14¼	14½	15	15	14¼	13
January 26	73,163	41,802	6.90	5.75	5.50	16¼	15¼	14¼	14½	15¼	15	14¼	12¾
February 2	59,989	31,498	6.90	5.75	5.00	16¼	15¼	14¼	14½	15¼	15	14¼	13
February 9	68,207	41,275	7.25	5.75	5.40	16¼	15½	14¼	14½	15½	14¾	14¼	13
February 16	61,491	32,744	6.90	5.75	5.25	16½	15¼	14¼	14½	15	14¾	14¼	13
February 23	61,826	32,708	6.75	5.60	5.10	15¾	15½	14¼	14½	14¾	14½	14½	13
March 2	57,528	30,033	6.85	5.60	5.35	15¾	15½	14¼	14¼	14¾	14¼	14¼	12¾
March 9	56,068	30,833	6.85	5.60	5.60	15½	15½	14¼	14¼	14½	14	14¼	12¾
March 16	64,855	34,180	6.75	5.50	5.50	15¼	15½	14¼	14¼	14¼	14	14¼	12½
March 23	61,755	32,665	6.90	5.50	5.35	15	15¼	14	14	13½	13¼	14	11¾
March 30	46,088	23,134	6.60	5.50	5.40	14½	15½	14	13½	13½	13¼	14¼	11½
April 6	52,708	27,948	6.60	5.50	5.40	14½	15¼	13¾	13¾	14½	13¾	14¼	11½
April 13	56,569	31,196	6.75	5.50	5.75	14¼	15	14	14	13½	13	14	11
April 20	68,020	38,673	6.70	5.50	5.50	14¼	15	14	13½	13¼	12¾	14	10½
April 27	72,847	44,942	6.60	5.50	5.40	14¼	15	13¾	13½	13	12	13¼	10½
May 4	58,339	31,978	6.25	5.40	5.35	14¼	15	14	13¾	13½	13	13½	10½
May 11	53,392	27,850	6.50	5.40	5.60	14¾	15	14	13¾	13½	13¼	13¼	11
May 18	60,316	34,782	6.50	5.40	5.60	15	15¼	14	14	14	14	13½	12¼
May 25	60,580	32,924	6.40	5.40	5.30	15	15¼	14	14	14	14	13¼	11
June 1	49,267	26,014	6.50	6.15	5.50	15	15¼	14	14	13¾	13¼	13¼	11
June 8	64,716	35,424	6.75	6.25	5.75	15	15¼	14	14	13¾	13¾	13¼	10¾
June 15	69,028	39,793	6.90	6.25	5.30	15	15¼	14	14	13¾	13½	13¼	10¾
June 22	53,892	28,334	7.00	6.25	5.60	15	15¼	14	14	13¾	13½	13¼	10¾

Receipts and prices of cattle and hides at Chicago—Continued.

Saturday.	Cattle at the Chicago stock yards during week.		Top price per 100 pounds for cattle on the hoof for each week.			Hides.							
	Receipts.	Slaughter.	Native steers.	Texas steers.	Cows.	No. 1 packers' native steers.	No. 1 packers' Texas steers.	No. 1 packers' Colorado steers.	No. 1 packers' heavy butt-branded steers.	No. 1 packers' heavy native cows.	No. 1 packers' light native cows.	No. 1 packers' branded cows.	No. 1 country buffs.
	No.	*No.*	*Dolls.*	*Dolls.*	*Dolls.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*
June 29	47,366	27,211	7.10	5.80	5.60	15	15	13¾	13¾	13¾	13½	13	10
July 6	40,142	21,337	7.25	5.75	5.90	15	15	13¾	13¾	13½	13½	13	11¾
July 13	57,631	33,199	7.30	5.80	6.15	14½	15	13½	13½	13½	13	12¾	11
July 20	67,686	43,414	7.35	5.75	6.00	14¾	15	13½	13½	13½	13	12¾	11
July 27	57,138	34,869	7.35	5.15	6.00	14¾	14¾	13	13½	13½	13	12½	11
August 3	45,928	26,715	7.50	6.50	6.25	14½	14¾	13	13½	13½	12½	11¾	11
August 10	54,437	34,986	7.60	6.75	6.25	14	14½	12½	13	13	12½	12	10
August 17	64,417	40,255	7.45	6.25	5.65	14	14	12	12½	12½	12	11	10¾
August 24	54,424	31,067	7.35	5.80	5.00	14	13¾	11½	12	12½	12	10½	10½
August 31	56,516	32,764	7.35	6.00	5.25	14	13	11	12	12½	12	10	10½
September 7	70,280	39,934	7.25	6.00	5.40	14	13	11	12	12½	11¾	10	10½
September 14	73,895	42,845	7.35	5.75	6.00	14	12¾	10¾	11¾	12½	11¾	9½	10½
September 21	79,691	46,537	7.15	6.60	5.75	14½	12¾	11	12	12½	12	9½	10½
September 28	64,251	33,886	7.25	6.20	5.50	14½	13	11	12	12½	12	9½	10½
October 5	76,769	43,080	7.30	6.20	5.30	14¾	13	11	12	12½	12	9¾	10½
October 12	87,950	49,746	7.35	6.20	5.40	14¾	13½	11½	12½	12¾	12½	9¾	10½
October 19	90,486	49,909	7.45	6.20	5.00	14¾	13½	11	12½	12¾	12½	9¾	10½
October 26	93,110	53,100	7.35	4.60	4.00	14¾	13	11	12	12½	12	9¾	10½
November 2	58,208	27,879	7.00	5.45	4.75	14½	13	11	12	12½	12	9½	9¾
November 9	51,448	30,337	7.25	5.35	5.00	14	12¾	10¾	11½	12	11½	9	9½
November 16	74,489	41,951	6.70	5.40	5.50	13½	12½	10½	11½	10¾	10½	8½	8½
November 23	67,652	38,712	6.65	5.50	4.50	12½	12½	9¾	10½	10½	10	8	8
November 30	72,178	38,695	6.50	5.15	5.25	12	11½	9½	10	10	9½	7½	7
December 7	66,224	31,016	6.35	5.75	5.25	11½	11	9½	9¾	10	9	7½	7
December 14	83,534	47,049	6.35	5.25	5.60	12	11½	9½	9¾	9½	9	8	7½
December 21	58,795	28,310	6.15	5.70	5.00	11¾	11¼	9½	9¾	9½	9	7¾	7½
December 28	46,061	22,935	6.30	5.80	4.75	11½	11	9½	9½	9	8¾	7½	7½

Comparisons of cattle, hide, and leather prices.

Year.	Top prices native steers on hoof, Chicago, per 100 pounds.	Heavy native steer hides, Chicago, per pound.	Sole leather union No. 1 mid. per pound.
1896:			
January		$0.08	$0.27
April		.06½	.26
July		.08¾	.26
October		.08	.25
1897:			
January		.08½	.30
April 3	$5.40	.09	.29
July 3	5.15	.09	.26
October 2	5.50	.10½	.30
1898:			
January 1	5.40	.11	.30
April 2	5.50	.11¼	.29
July 2	5.35	.12½	.29
October 1	5.85	.11⅞	.29
1899:			
January 7	5.95	.11½	.28
April 1	5.80	.11¾	.32
July 1	5.75	.12	.33
October 7	7.00	.13¼	.36
1900:			
January 6	7.25	.13¾	.36
April 7	5.80	13½	.35
July 7	5.70	.11	.33
October 6	6.00	.11¼	.30
1901:			
January 5	5.50	.12	.32
April 6	6.25	.10½	.33
July 6	6.40	.12¾	.32
October 5	6.85	.13	.34
1902:			
January 4	7.75	.14	.35
April 5	7.50	.12½	.34
July 5	8.50	.13	.35
October 4	8.30	.14½	.35
1903:			
January 3	6.65	.13½	.35
April 4	5.60	.11¼	.34
July 4	5.60	.12	.34
October 3	6.00	.12	.33
1904:			
January 2	6.65	.11½	.32
April 2	5.80	.10¾	.32
July 2	6.65	.11½	.31
October 1	6.55	.10¾	.32
1905:			
January 7	6.00	.13¾	.35
April 1	6.35	.13½	.35
July 1	6.25	.....	.....
August 5	5.90	.15½	.36
September 23	6.40	.....	.....
November 1	.....	.15½	.36

The above prices of cattle are taken from monthly summaries of United States Department of Commerce and Labor, and are taken for the specific dates mentioned. The prices of leather and hides are taken from a table of "Comparative prices of leather and hides for ten years," published in the Shoe and Leather Reporter, of August 10, 1905, and late numbers.

Mr. WARREN. Will the Senator permit me, right there?

Mr. LODGE. Certainly.

Mr. WARREN. I think the only argument upon which free hides can be based is that they do not always go up and down with the price of meat. I will ask the Senator what about mutton and wool, whether they go up and down together or not? What about ores containing silver and lead? Do they go up and down together or not? May not one be higher and the other lower, and yet may not the combined value of the two be what is of benefit to the producer?

Mr. LODGE. The argument is that the farmer gets the benefit of the duty on the hides.

Mr. WARREN. Absolutely.

Mr. LODGE. If that is the case, when hides go up, as a general rule, cattle will go up too; and when hides go down, cattle should go down. Otherwise the farmer, in selling his cattle to the packer in Chicago, is not getting the benefit of the duty.

Mr. WARREN. The Senator will not insist upon that. The percentage, we will say, of the hides as a whole is 10 per cent. That 10 per cent you may double, and even then the price of beef might be lower. But the point is, the farmer gets the benefit of the combined price of both, just as he does of wool and mutton, and it makes his business profitable or unprofitable as to the total return he gets from beef cattle when their price goes up and down.

Mr. LODGE. That may be true, but even an advance of 10 per cent on the value ought to show some advantage to the farmer.

Mr. BEVERIDGE. Will the Senator from Massachusetts permit me to ask the Senator from Wyoming a question?

Mr. LODGE. Certainly.

Mr. BEVERIDGE. I wish to ask the Senator from Wyoming this question: I understand him to be for a duty on hides?

Mr. WARREN. I am.

Mr. BEVERIDGE. Because he thinks that that makes a better price to the farmer for hides?

Mr. WARREN. There is no question about it.

Mr. BEVERIDGE. If that is true, it can only be true upon the theory that the duty is added to the consumer. If that is the case I advise the Senator from Rhode Island to take the Senator from Wyoming in charge upon that proposition.

Mr. WARREN. The Senator will not be so hasty. It will not be to the ultimate consumer; and the Senator knows without asking me that question that it does not raise the price of boots and shoes.

Mr. BEVERIDGE. Does it add the price to the farmer?

Mr. WARREN. It does.

Mr. BEVERIDGE. The farmer, then, gets that much more?

Mr. WARREN. He does; and it is absorbed between the time he produces it and the time it is placed on the market by

the retailer, and somebody, therefore, gets anywhere from 1 to 3 cents more on a pair of shoes if the duty on hides is removed.

Mr. BEVERIDGE. Who gets that 1 to 3 cents?

Mr. WARREN. It goes into the pockets of the tanners and manufacturers.

Mr. BEVERIDGE. I thought the position of the Senator, as a very earnest protectionist—and I am, too—is that the duty is never under any circumstances added to the price. Admitting that of course it is added to the price, it is a case worthy of the serious attention of both the Senator from Wyoming and the Senator from Rhode Island.

Mr. WARREN. The protective-tariff policy is upon the theory that it will protect and raise the price oftentimes to the producer, and the best part of it is that generally it does not raise the price to the ultimate consumer. There is not in all the history of the protective tariff so plain a case as this one is. The tariff upon hides has never cost the consumer of shoes or leather a penny, and yet it has added to the farmer sufficient to enable him to raise the price of hides. He formerly could get nothing for them in some of the remote sections of the country. It increases his profit and greatly enlarges the number of cattle to keep up with the growth of population here. As I said, whatever that difference is it is absorbed in between. If the Senator thinks the shoe manufacturers are reaping the whole benefit he is simply mistaken.

Mr. BEVERIDGE. That is to say, it is taken out partly from the pockets of the tanner, and in this case it happens to be the packers, and it is taken out of the pockets of other manufacturers. If that were true it would seem strange that the packers are the people who are most earnestly demanding a tariff on hides.

Mr. WARREN. There is no packer in the United States who has said a word here on the subject or who has made any such application. The Senator is mistaken. The packers are not here asking for a duty on hides. I challenge the Senator to produce any evidence of that kind.

Mr. BEVERIDGE. I do not say that they have come here in person.

Mr. WARREN. If the Senator has any idea that anybody is representing them here I ask him to indicate whom.

Mr. BEVERIDGE. Oh, no; the Senator misunderstands me.

Mr. WARREN. The packers are not here. All the packers have to do is to charge it back to the farmers.

Mr. BEVERIDGE. I have heard that argument before.

Mr. WARREN. The consumers of shoes are not here asking for removal of this duty; the packers are not here asking for it; the farmers are not here asking for it. The only men asking for it are the tanners and manufacturers.

Mr. BEVERIDGE. The tanners happen to be the packers, do they not, in the largest extent, at the present time?

Mr. WARREN. To the same extent that 39 tanners are, to a thousand and odd tanners who are not packers.

Mr. BEVERIDGE. Is it not true that the tanning business now shows that the independent tannery concerns are in process of rapid absorption by the packers? Is not that the case?

Mr. WARREN. By the Central Leather trust and the American Hide and Leather Company.

Mr. BEVERIDGE. I will not interrupt the Senator from Massachusetts further.

Mr. LODGE. The packers now take about 7,000,000 hides, and tan from 35 to 45 per cent of them themselves.

Mr. BURKETT. What percentage do I understand the Senator to say that they tan?

Mr. LODGE. About 35–40 per cent of seven million to seven million and a half hides. They tan that percentage. In the table of prices which will be printed I merely want to call attention to a few of them. To read all these tables would be simply confusing. Anyone can trace them down.

Mr. BURKETT. Before the Senator goes on, has he stated the names of the packers? I have not heard what packers he refers to.

Mr. LODGE. I have not stated it yet. I will give the names of the Chicago packers. They are Armour, Swift, and Morris.

Mr. DIXON. Has the Senator a list of the packers who are engaged in the leather business?

Mr. LODGE. I am going to give the list of tanners. Of course the Senator knows who they are.

Mr. DIXON. Are there any packers outside of the Chicago packers interested in tanneries?

Mr. LODGE. I do not know of any.

Mr. DIXON. As a matter of fact, the whole number of cattle slaughtered in Chicago amounts to less than 3,000,000 head of steers as against 17,000,000 hides. All of them go into the tanneries.

Mr. LODGE. The figures are different in different parts of the country. Chicago and Kansas City take in, as far as I can learn, 7,500,000.

Mr. DIXON. Not to exceed 5,000,000, I think, from the most accurate information.

Mr. LODGE. I have come to distrust all figures since this debate began, not only those of the Senator from Montana but my own.

Mr. DIXON. When I see the Senator from Massachusetts using figures for the purpose of the cause in which he is enlisted this afternoon, I am inclined to distrust all of them. I see him joining the ranks of the insurgents in a crusade against the cattlemen of this country and the farmers.

Mr. LODGE. If this is a crusade against cattlemen, it is a crusade against a large number of them in New England. The people who own the cattle of this country do not all live west of the Mississippi River. Most of them live east of the Mississippi.

In 1895, that was before the duty was imposed, the price of cattle ranged from $6 to $6.40 per hundredweight. Hides ranged from 7¼ to 13½ cents per pound.

That includes, of course, a very low period—bad times. In 1908 the price of cattle per hundredweight ranged from $5.30 to $6.65, and the average price of the hides was about 16 cents per pound. From January 1 to July 1—I take this from the Agricultural Department report—the average price to July 1, 1908, steers on the hoof $6.10, hides $11.17. July, 1908, to January, 1909, steers on the hoof averaged at $6, only a trifle lower than the previous six months, and hides went up to 15.69 cents a pound. It seems to me, if the two things go together, there ought to have been some corresponding rise in both.

I am not going into the question of the cost of shoes. The cost of shoes has advanced very much. That is owing to the advance in the price of hides; but I am not going to tell the Senate or anybody else that the great advance which has taken place in the world's price of hides is owing to a 15 per cent duty put on in this country. It is impossible to tell how much effect the duty on hides has had on the cost of a shoe, if any. In the exported shoe, the drawback sworn to amounts to about 2 to 3 cents a pair. On the heavy workingman's shoe, if they were exported, it would amount to 6 or 7 cents. That amount, if attributable to the duty, is a serious thing, because the margin of profit is a very small one on boots and shoes.

Governor Douglas is one of the greatest shoe manufacturers in the country. He sells a $3.50 shoe, I believe it is, in every town in the United States, and sells it at the same price everywhere, and a $4 shoe; but the shoe which he chiefly sells is the $3.50 shoe. He said in a speech that his margin of profit was about 6 or 7 cents a pair.

Mr. BURKETT. That price has not been raised?

Mr. LODGE. No; the Douglas shoe has not been raised. But the heavy workingman's shoe, the one that is made by millions in this country, has advanced in price; that is, they still sell a $2 shoe, but it is not so good a shoe in quality as it was. The shoe known as the kangaroo kip blucher, the heavy workingman's shoe, was sold at the factory for 85 cents and was retailed for $2.

Mr. GALLINGER. Eighty-five cents?

Mr. LODGE. The factory price was 85 cents, I think. I shall have to verify it.

Mr. CARTER. What year—1897?

Mr. LODGE. 1897.

Mr. CARTER. What is it sold for now?

Mr. LODGE. I thought that I had here the exact details of that price. I have mislaid the details, but it was something like 85 cents at the factory, $1.35 to the jobber, and it reached the consumer at $2. The price of that shoe has advanced in the last twelve years to $2.50. They can not sell it at that price, or a very small number. The people are used to a $2 shoe, and the result is that shoe.

Mr. BURKETT. How much was that shoe raised in price? When it was sold at $2, what was the factory price?

Mr. LODGE. The factory price went up to something over a dollar, as I remember. I am speaking from memory. I can not put my hand on the detail which I had.

Mr. CARTER. The shoe in question contains not to exceed 2 pounds of leather a pair, and a tariff of 15 per cent on the hide would not exceed 4 cents.

Mr. LODGE. It contains 46 ounces of leather by actual weight. I have the pieces of leather here of that shoe.

Mr. CARTER. Of course it contains more weight than the leather in the shoe. There is certain material aside from the leather.

Mr. LODGE. That is what it is wrapped in. It is only paper. There is nothing here but the leather.

Mr. CARTER. This added weight suggested, I will say to the Senator, is not over 5 pounds or 5 cents of duty on the hide.

Mr. LODGE. I said six.

Mr. CARTER. The shoe has gone up apparently from 85 cents to $2.50.

Mr. LODGE. No; the Senator wants to be fair. I started out by saying I never heard of such a claim as that and that I did not think it was important. I do not claim that the duty did it. I do not believe it at all. It is obvious on the face of it that the duty has not advanced the cost except on boots and shoes made of foreign hides.

Mr. CARTER. Does not the Senator contend that there is no relation between the selling price and the duty?

Mr. LODGE. I made no argument of that kind. I said I was not going into the question of the price of shoes for the simple reason that they had advanced, as everyone who has looked into it knows, with the advance in hides, but that it was impossible to say that the 15 per cent duty had raised the general price of hides, which had advanced all over the world.

Mr. DIXON. Will the Senator yield for a question? I am much interested in the statement of the prices. I think it carries out what the Senator from California earlier in the debate called the attention of the country to. I understand that the manufacturer gets only 85 cents a pair, and the Senator, I understand, says the shoes sell at $2 a pair in the retail stores.

Mr. LODGE. I wish I could find the exact figures. They used to retail for $2.

Mr. DIXON. An advance of $1.15 over 85 cents, the first cost. It is 3 cents a pair on the sole alone.

Mr. CARTER. Three cents a pair, at 85 cents.

Mr. DIXON. The only leather in that shoe is in the sole and in the heel that pays any duty.

Mr. LODGE. No; the shoe is made almost entirely of dutiable hide.

Mr. DIXON. Is the Senator fully advised on that point?

Mr. LODGE. I am absolutely certain of it. This whole thing was made up as an exhibit. It is made of splits and grain.

Mr. DIXON. Sole leather?

Mr. LODGE. Sole leather splits.

Mr. SCOTT. Of course the Senator from Massachusetts knows that they take a heavy hide and in all probability split it into three or four splits and make up the shoe. Consequently the statement by the Senator from Montana ought to be discounted about 2 or 3 cents more. That is one split of at least three.

Mr. McLAURIN. Will the Senator from Massachusetts allow me to ask him a question?

Mr. LODGE. Certainly.

Mr. McLAURIN. I desire to ask the Senator from Massachusetts the price at which he said the shoes in question were sold by the manufacturer.

Mr. LODGE. I was speaking from memory, and I am ashamed to say I can not find the details. I only know that the better shoe was sold at $2, and it is now sold at $2.50.

Mr. McLAURIN. What I want to know is what it is sold for by the manufacturer?

Mr. LODGE. If I could find my papers, which have been mislaid——

Mr. McLAURIN. Can the Senator give an estimate—approximately?

Mr. LODGE. I do not want to do that. On a thing like this I want to speak accurately.

Mr. McLAURIN. Something was said about 85 cents by the junior Senator from Montana [Mr. DIXON].

Mr. LODGE. I may have made that too low.

Mr. McLAURIN. I think so.

Mr. LODGE. I am ashamed to say that I am unable to find those figures, which I had made very carefully. Here, however, is a statement about what is known as the "brogan." Twelve years ago the brogan was sold to the jobber at 85 cents. At the present time it is sold to the jobber at $1.20. The retailer usually adds 50 cents per pair to the consumer on all kinds of cheap shoes.

Then comes the satin shoe. The satin shoe costs from $1.20 to $2 to the jobber. Fifty cents must again be added to the retailer. That does not give the exact figures on those shoes, but it gives them nearly enough.

Mr. McLAURIN. Mr. President, I wish to say a word in answer to what was said by the junior Senator from Montana [Mr. DIXON] about shoes being sold by the retailer bearing a higher profit than some other articles that the retailer sells. For instance, the small retailer buys a small lot of shoes, and when he sells——

Mr. LODGE. I have those figures now, Mr. President, if the Senator from Mississippi will excuse me.

Mr. McLAURIN. Yes, sir.

Mr. LODGE. I have the exact facts as to the shoes in question.

Of what is known as the "kangaroo kip blucher" in 1897 the factory price was $1.35, the jobber's price was $1.50 and $1.60, and the retailer's price was $2. In 1908 the factory price of that shoe was $1.50 and $1.55, and it was retailed from $2.25 to $2.50. But there is comparatively no demand for that style of shoe. The old brogan, about which I just spoke, has also been given up.

The modern leather shoe is the "creedmoor," so called. For the creedmoor boot the factory price was from 85 to 90 cents in 1897. Now it is $1.35. The retail price in 1897 was $1.25. Now it is $2. That gives the advance. Those advances, Mr. President——

Mr. McLAURIN. There is nothing in that which shows any extortion on the part of the retailer.

Mr. LODGE. There is a duty of 15 per cent on hides, of course, and it is stated that it takes at least 3 feet of stock to make a "blucher."

Mr. CURTIS. Mr. President, may I ask the Senator a question?

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

Mr. LODGE. I do.

Mr. CURTIS. I understand the shoe the Senator exhibited is made up entirely of dutiable leather?

Mr. LODGE. Practically all.

Mr. CURTIS. There are a large number of shoes made in which there is just a small amount of dutiable leather, are there not?

Mr. LODGE. Some are made in which there is none; some are made in which there is nothing but sole leather.

Mr. CURTIS. That is what I mean. The amount of dutiable leather used runs from 2 to 6 cents in a pair of shoes.

Mr. LODGE. Yes; as nearly as I can calculate; that is, the 2 to 6 cents represents the duty on the leather and not the whole value of the leather.

Mr. DIXON. Mr. President——

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

Mr. LODGE. I do.

Mr. DIXON. Has the Senator from Massachusetts any figures showing an increase of the cost of shoes from 1907 to the present time in the class of shoes that have no leather made from the hide which carries a duty?

Mr. LODGE. I have not; but I have no question——

Mr. DIXON. I ask the Senator in fairness, do not those shoes show the same increase as those which have a sole made from dutiable hide?

Mr. LODGE. I hope the Senator will believe that I am not trying to say anything which I do not believe. I am trying to be intellectually honest, at least, and I believe that the shoes not having dutiable hides have advanced practically as much as the others, so far as I can tell. I may be wrong; but I believe that to be the case. So far as that goes, my point is that it is a needless burden on the manufacturer.

But, Mr. President, I have taken much more time than I meant to take. I want to say only a few words more in conclusion. I have spoken thus far about the shoe manufacturers. I wish now to say a word about the tanners. It is the tanners who are most seriously hurt. Their industry is very greatly affected. There is no doubt in my mind that there are a thousand tanneries scattered around the country which are being gradually extinguished by the packers, and that movement is progressing. I have here a list of the tanneries which have been taken possession of by the Chicago packers alone, and it shows a total of over 30 tanneries in 11 different States. I think they are going to put the independent tanners out of business. I think the two combinations in leather, the American and the United States leather companies, are bound to enter into combination with or be absorbed by the packers. I believe, in short, that the entire tanning business is destined to fall into the hands of the packers, and under one great concern.

Mr. WARREN. May I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Wyoming?

Mr. LODGE. Yes.

Mr. WARREN. The Senator's figures about the meat trust and the 30 tanneries in 11 States I shall not deny, but will he tell us, if he knows, how many tanneries have been absorbed by each of the great trusts or combinations—the American Hide and Leather Company, and the United States Company, or Central Leather Company?

Mr. LODGE. I do not know how many there are, Mr. President; but it would only strengthen my argument if I knew that all the rest were in those trusts.

Mr. WARREN. Perhaps I ought to say, then, that the testimony of the president or of the secretary of the American Hide and Leather Company was that there were over 100 tanneries in that combination; and the best evidence that I can get regarding the Central Leather Company is that it has absorbed somewhere between one and two hundred; but even adding those together there is a very large number of tanneries outside.

Mr. LODGE. There are over 700 independent tanneries, roughly speaking.

Mr. WARREN. The Senator from Massachusetts will admit that this outcry against the meat trust is largely instigated by the Central Leather and American Hide companies.

Mr. LODGE. I know nothing of the Central Leather Company. I have not seen a member of it, I do not know anybody connected with it, and I have not been instigated against the Chicago meat trust by them or by anybody else. It requires no instigation for any thoughtful man to regard that combination or trust at Chicago with hostility. I am not a friend to trusts anywhere, nor do I pose as their especial enemy; but this is a combination which has been dealing in the food products of the people; the very things they eat and live upon; and we know what was done when we passed the meat-inspection bill; we know what an exhibition was then made as to the conditions in those yards in Chicago. It has been renewed again within a few days. Men who will tamper with the food supply of the people; who will resist to the utmost the attempt to put a date upon a can, showing when the article was put into it, are not men whom I, for one, need any instigation from anybody to oppose; and when I see a great industry passing helplessly into their hands, I should like to do anything in my power to stop it.

There are in the other two trusts 100 or 150 other tanneries. There are 700 independent tanneries in the country. You get them all into three great combinations, and how long will it be before they will all be under one head?

Mr. President, there is the real mischief in this thing. The packers are getting more and more control of the hides. They are not only taking their own by-product, but they are sending out their buyers to get what are known as the "country hides."

Mr. WARREN. Will the Senator permit me to ask him a question?

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

Mr. LODGE. I do.

Mr. WARREN. Will free hides prevent their buyers going to South America or to any other country to buy hides and tan them as they are now doing?

Mr. LODGE. It will make it more difficult for them to do so. It is a bigger market for them to get control of. I do not mean to say that this syndicate can not get control of all the products of the world. It has been done by other syndicates, foreign and domestic. There are other syndicates, like the match trust, which has taken possession of the entire match production of the world. I do not mean to say that this trust could not do the same, but I do say that by our action we are helping this along.

I do not think, in fact I know, that there is no more complete fallacy in the world than the proposition that the duty is added to the cost of the protected article. In many cases that does not happen at all; in most cases it does not happen, and a mere glance at the price table will show it. There are hundreds of cases where it does not happen, because we can fill our own market and make our own prices here.

The Senator from Rhode Island [Mr. ALDRICH] stated on this floor the other day, with perfect accuracy, that as we had to buy 300,000 tons of foreign sugar, duty paid, all the rest of the sugar met that price in New York and got that price. This must always be the case when you are obliged to bring in a foreign article in order to meet the home demand. That is why I elaborated the point, perhaps to tedium, that we did not produce enough hides, and that there is no prospect of our doing so. We have to import them for our own use, and the 700 different independent tanneries know what that means, for otherwise they have to buy hides of their competitors. So, too, the sole leather trust have to buy of their competitors; but they can take care of themselves.

Mr. DOLLIVER. Mr. President——

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

Mr. LODGE. I do.

Mr. DOLLIVER. I do not like to disturb the Senator from Massachusetts——

Mr. LODGE. Not at all.

Mr. DOLLIVER. Mr. President, we have a number of small shoe factories in Iowa, and I have been making an honest effort to get at the real state of this case. Has the Senator from Massachusetts any information that will enable him to state whether the shoe manufacturers of the United States deal directly with the tanners for their material?

Mr. LODGE. I so understand.

Mr. DOLLIVER. I have noticed in every shoe factory I have visited great bales of sole leather cut into the form of soles and boxes of heels already manufactured, and I have wondered how many shoe factories there are in the United States which manufacture their own forms, including soles and heels.

Mr. LODGE. Mr. President, I know from my own observation near my own home that different parts of the shoes are made very often by themselves. A company will make soles or some one part of a shoe, but, as a rule, most of the factories make the shoe from the beginning to the end, and, whatever they are making they all buy from the tanner.

Mr. DOLLIVER. The shoe manufacturers that have presented their cases to me claim that the farmers are deprived of the advantage of the duty on hides on account of the beef trust.

Mr. LODGE. That is my honest belief.

Mr. DOLLIVER. And I have asked them how the shoe manufacturers managed to escape the clutches of this leather trust that they buy of; in other words, whether a farmer is not about as likely to be as able to handle the beef trust as the shoe manufacturers are to handle the leather trust, especially the sole leather trust, which seems to be almost a monopoly.

Mr. LODGE. Hardly that. As the Senator from Wyoming [Mr. WARREN] says—and I have no doubt he is correct—there are two, the American and the United States leather companies, and they control between them, I suppose, about 250 tanneries.

Mr. WARREN. The holding company is the Central Leather Company, which absorbed the United States Leather Company and various others; so that now there are the Central Leather Company and the American Hide and Leather Company.

Mr. LODGE. Those two control about 250 tanneries, as I understand. I have been informed that their money is made because they are the owners of large amounts of bark land, and the bark necessary for tanning is getting very scarce. That is the reason we are using so many extracts.

Mr. DOLLIVER. What bothers me is whether the shoe factories would not be just as likely to be robbed by those people as the cattlemen are to be robbed by the beef trust.

Mr. LODGE. I can only say that the manufacturers and the tanners stand together against the duty on hides.

Mr. DOLLIVER. And yet, between the shoe manufacturer and the tanners stands the man manufacturing vamps, forms, and soles.

Mr. LODGE. With us they are all classed as boot and shoe manufacturers.

Mr. DOLLIVER. Exactly, but while the boot and shoe manufacturers only get a nominal duty, the manufacturer of sole leather under this bill gets 5 per cent and the manufacturer of soles cut into shape gets 40 per cent, which seems to me——

Mr. LODGE. I think the Senator is mistaken about that.

Mr. DOLLIVER. I think I am correct about that. I notice that in paragraph 448 sole leather is made dutiable at 5 per centum ad valorem.

Mr. LODGE. Yes, 5 per cent. That is right. The Senator does not think 5 per cent is very high, does he?

Mr. DOLLIVER. But I notice in line 21 of the same paragraph the following:

Provided, That leather cut into shoe uppers or vamps or other forms, suitable for conversion into manufactured articles, and gauffre leather, shall be classified as manufactures of leather and pay duty accordingly.

I find as to manufactures of leather, including—

Bags, baskets, belts, satchels, card cases, pocketbooks, jewel boxes, portfolios, and other boxes and cases, made wholly of or in chief value of leather, not jewelry, and manufactures of leather, or of which leather is the component material of chief value, not specially provided for in this section, 40 per centum ad valorem.

I should like to understand how sole leather cut into shape, heels manufactured into form, and uppers and vamps stand in this bill with a duty of 40 per cent on them, when the leather out of which they are made is only taxed 5 per cent?

Mr. LODGE. To tell the truth my mind was entirely occupied with the question of the duty on hides. I have given little or no examination to this, except to the question of japanned and patent leathers, which are in the dutiable paragraph.

Mr. DOLLIVER. I felt constrained to write my shoe manufacturers that they ought to examine that paragraph as well as the hide paragraph.

Mr. LODGE. Forty per cent does not correspond with 5 per cent on sole leathers.

Mr. WARREN. Will the Senator permit a question?

Mr. LODGE. Certainly.

Mr. WARREN. I should like the Senator's statement as to how he views the exports. I am inclined to think he will admit that we are exporting far more leather in shoes and in leather products than we are importing in dutiable hides.

Mr. LODGE. The importation of hides is very easily obtained. We exported in 1907 31,900,868 pounds of sole leather and 31,189,897 pounds in 1908, valued at $7,024,313 in 1907 and $6,593,950 in 1908.

Mr. WARREN. I think drawbacks were allowed on those importations. I want to say to the Senator——

Mr. LODGE. Drawbacks amounting in 1907 to $955,456, and $889,942 in 1908.

Mr. WARREN. The Senator made the observation that we are not making leather enough to meet the demands of our own people.

Mr. LODGE. We are not. That is perfectly obvious from these figures.

Mr. WARREN. I differ with the Senator's proposition that we are the loser in the balance as to the duty. What I say is that the hides we are raising and those we are importing free of duty leave no room for introducing any dutiable hides as to total amount of leather for our own consumption, and that they are imported for the purpose of tanning in our country and are then exported, together with great quantities of boots and shoes, which consume vast quantities of leather.

Mr. LODGE. Mr. President, we imported over $3,000,000 of dutiable hides and we exported under all forms last year $889,000; in other words, we retained over $2,000,000 worth of hides in the country. Mr. President, I ask to have printed at the end of my speech the statement that I made in regard to the wage-earners, together with a letter from Mr. Hanan, president of the Boot and Shoe Manufacturers' Association, so that Senators may see what the shoe industry has to contend with.

The VICE-PRESIDENT. Without objection, the matter will be printed in the RECORD, as requested by the Senator.

[The matter referred to will be found at the end of Mr. LODGE's speech, marked "Appendix."]

Mr. LODGE. I desire now to conclude as soon as possible. I was interrupted when I was speaking about the question of independent tanneries. It is the independent tanneries that I have particularly at heart. I think that, if anything can be done to save them from extinction, it will be of great benefit not only to that industry, but to the farmers of the country, among whom they are now scattered and of whom they buy in competition. The Senator from Iowa [Mr. DOLLIVER] who interrupted me a moment ago, said in his first speech on the cotton industry:

> Therefore I think we ought to take these great materials that lie at the basis of our productive industries, which are monopolized by corporations organized for that purpose, and give to the young men of the United States in the next generation a free hand in these matters. It is not possible that all our iron and steel is to be made by one corporation. It is not fair to the next generation, and it is no improvement on the business methods of the past. It is not right that any great department of industry should be brought into one hand, whether individual or corporate, and therefore I should like to have the Senate study the question of putting within reach of the young men of the United States these great resources, and say to them "go into these enterprises, and wherever you find yourselves constrained in the purchase of your material we will give you relief," so that in no generation shall it be said that a single corporation owns and controls the basic materials that underlie the industries of the American people.

I received a letter, Mr. President, from a gentleman who has been all his life in the business of tanning, and who is a very intelligent man. I will not delay the Senate by reading the letter except one paragraph, which interested me because it seemed to show with some force the point to which the Senator from Iowa alluded:

> Personally, it makes but little difference to me. I have done my hard work in the tanning business. I am working for the young men who, with me, love the tanning industry, who are at present engaged in it, and the young men now coming on at 20 years of age, who may have a great opportunity for usefulness and success, provided they can have a fair chance at the hands of our Government.

I ask to have printed the portions of the letter which I have marked.

The VICE-PRESIDENT. In the absence of objection, permission is granted.

The portions of the letter referred to are as follows:

76 SOUTH STREET, BOSTON,
March 30, 1909.

Hon. HENRY CABOT LODGE,
Washington, D. C.

DEAR SIR: The boot, shoe, and leather trade in the United States is now in jeopardy over the tariff bill in Washington. * * * Only one condition can change this fact, and that is, that the Government give us free hides. The meat trust are now protected with a 15 per cent advantage over the rest of the world in disposing of their hides. No other country taxes raw hides.

There was no tanning done in the United States by the packers or meat trust until 1897, when they first got the duty on hides. From that day up to this they have each day and year made the most of their advantages, until now their names are the most prominent in the tanning business in the States. Following their advantage in tanning, natural conclusions will be that they will take up the manufacturing of shoes, and shoe and leather machinery, forming a combination that will make the steel trust look small.

The meat trust the past year have added new tanning plants all over the country and are tanning a very large share of the hides they produce. This is entirely new in the history of the business. They formerly sold these hides entirely to the independent tanners and the United States Leather Company. They also have opened hide depots in several large cities for the purpose of purchasing the hides called "country hides" to help sustain the value of what is called the "packer hide." This is done by their subsidiary companies.

Tanners and shoe manufacturers in the United States are thoroughly aroused under these conditions on the question of free hides. * * *

Fathers having boys coming up, of the age of going into business, expect to put their sons in the shoe and leather business all over the United States. During the past twenty-five years it has been second to none for young men both engaged in working out their future in the shoe business, tanning business, and shoe manufacturing, in all the different departments. You will realize how much of a chance our people are going to have to put their sons into this business, if it is carried on as a monopoly. It will simply become a place for rich men's sons at the head of different departments, with large salaries, where training does not count.

* * * * * * *

The writer has been in the tanning business for thirty years and speaks from knowledge. If the duty is kept on the packers or meat trust will gain great advantage, leading up to a control in the following commodities:

Control of all the hide business in the United States.
Control of all the tanning business in the United States.
Control of all the meat business in the United States.
Possible control of the shoe business in the United States.
Possible and probable control of all the shoe machinery business connected with leather and tanning.
Possible and probable control of all the glue business.
Possible and probable control of all the soap business.

Contrary, if we should have free hides, the independent tanners, who are trained in tanning and shoe making, will continue in control of the tanning and shoe business, in place of being a small minority.

* * * * * * *

We can not go on in the business and purchase our raw material hides, as we are now being forced to do, under this tariff of the packers, as they are our competitors, and they will not sell us at fair prices as they wish to do the business themselves, unless they can do so at prices at which we can not afford to operate. They make a price and say if you do not wish to buy we will tan the hides ourselves. Our only alternative is free hides in the world like other countries enjoy. Give the independent tanners what the rest of the world has and we will beat the world with our economies and skill, making cheaper leather and cheaper shoes, making for lower values of all the allied interests, for which the people will receive the benefit. In other words, we must have free hides to do this. If we can not have them, we must get out of the way and let our favored competitors, the packers, have the field.

We want free hides; all the rest of the world have them. Statistics show this country has not enough hides of our own, therefore we must import them for necessities. The West are clamoring for a duty for the benefit of the farmer. We are satisfied that this is directed by the meat trust and the middlemen who get the benefit of high-priced hides, and get the benefit of government protection over all the other people in the world. Meat has changed in value on the hoof scarcely perceptible since the tariff of 1897. Hides changed 25 to 75 per cent owing to the manipulation of the middlemen and trust, whereas they have bought their beef through the same manipulation at practically the same prices on the hoof from the farmer for twelve years.

The average farmer in the United States kills for his farm two to three cattle per year, the amount growing less each year owing to the packers locating in their States with their refrigerator plants, taking the place of the old slaughtering houses of the farmer, and to-day the farmer is not a slaughterer in any sense, that business being done by the packer.

Has the ways and Means Committee had before them a delegation of actual western farmers? Have they been examined as to how many cattle they kill per year, and what actual benefits really accrue to them from that average kill? I think not.

Has the Chicago packer appeared in person? I think not. Why not? An intelligent cross-examination of the farmer, middleman, and packer, such as was given to the shoe and leather delegation in Washington, would bring this fact out plainly, namely, that the advantage in the duty goes to the packer and middleman, and that the farmers' position is number three, and a very small percentage at that. In connection with this sympathy in the West it is worth noting that the Chicago packers alone employ thousands of men for office work only, and their influence is felt throughout the Western States.

On the opposite side of the question, if we had free hides the tanner could make this leather cheaper, as his competition forces him to sell his leather to the shoe manufacturer at a moderate profit over the cost, the shoe manufacturer in turn sells to the retailer under the same conditions, therefore the farmer does actually and will get a benefit on every pair of shoes he and his family consume. This is also true on trunks, dress-suit cases, furniture, harness, and other commodities into which leather goes.

In my mind this competition of the independent tanners and shoe manufacturers will benefit the farmer and all other people purchasing these necessities. However, if the meat people secure a control in the business it is well known that their policy is for large profits, and will make for materially higher prices for boots and shoes, etc., which in itself alone is enough to overcome the benefit of the duty on hides.

At present, two years out of three we can not sell abroad as the packers keep our raw material prohibitive in prices. Above a certain point we can not send any leather abroad, that is, if the value is high, we can not ship; they have substitutes.

* * * * * * *

Personally, it makes but little difference to me; I have done my hard work in the tanning business; I am working for the young men, who with me, love the tanning industry, who are at present engaged in it, and the young men now coming on at twenty years of age, who may

have a great opportunity for usefulness and success, provided they can have a fair chance at the hands of our Government.

* * * * * * *

The tanner is absolutely honest in his proposition regarding the tanning business and its effect upon the people regarding the industry.

* * * * * * *

Very truly yours,

ELISHA W. COBB,
Swampscott, Mass.

Dictated by E. W. C.

Mr. LODGE. Mr. President, it is because I think that the independent tanners will be put out of existence, and that to give them an opportunity in the world's markets would save the industry from the course on which it is now traveling, that I feel a great and especial interest in this schedule. If I believed that this duty went into the pockets of the farmers I should hesitate very long before I took this position, but I have never been satisfied that it did. In fact, I honestly believe that it does not; that, if it exists, it is absorbed elsewhere. For that reason, Mr. President, I have done what I was very reluctant to do—made up my mind to oppose the recommendation of the Finance Committee.

Now, I want to say a word on a subject not especially related to that which I have been discussing.

Mr. McCUMBER. Before the Senator leaves this subject, will he allow me to ask him a question?

Mr. LODGE. Certainly.

Mr. McCUMBER. If I understand the Senator correctly, he wants to preserve the interests of the independent tanners by lowering the price of the raw material itself?

Mr. LODGE. No, Mr. President, I do not think——

Mr. McCUMBER. Let me ask how will they be protected or how would their interests be better subserved, unless the effect of it is to make the price of hides lower?

Mr. LODGE. I do not think it is going to affect the price of hides. The advantage to them will be that they will no longer be at the mercy of the packers, who control the hides.

Mr. McCUMBER. That is just the question I wanted to ask.

Mr. LODGE. If the packers will not sell their hides at a reasonable market price, they will have somewhere else to buy. They would rather buy the domestic hides. They are much better.

Mr. McCUMBER. As a matter of fact, have not the tanners free access to the markets of the United States, to hides aggregating about 73 per cent of the total production in the United States—that is, the hides that are not produced by the trusts? And in addition to that we imported, I notice, in 1907, 134,671,000 pounds of dutiable hides and 120,770,000 pounds of nondutiable hides, or 225,441,000 in round numbers.

What is to prevent the tanners of the country purchasing all of those hides if they pay the price for them? Certainly the trust has not a monopoly upon the hides that are imported. The trust has not a monopoly upon the 73 per cent of hides in the United States that are not controlled by the packers; and with all of that to draw from, I confess I can not understand why the tanners have not an open field for the purchase of their products, nor can I understand how they will be benefited only to the extent that taking off the duties lowers the value of the product.

Mr. BEVERIDGE. Will the Senator from Massachusetts permit me to give an illustration, in answering the query of the Senator from North Dakota?

Mr. LODGE. Certainly.

Mr. BEVERIDGE. It shows how the tanners would be benefited, regardless of the price, and that is the question the Senator raised. I give the illustration given me some days ago by a Senator whom I do not now see on the floor, or I know he would give it himself. It is something that came under his own observation.

There is an old-established tannery in his State, and a very large one. The man now running it had been preceded in the same business by his father, who established it. He found in the process of the business that he was compelled to go to the packers for his hides. For some reason or other—perhaps the price of hides or something or other—he determined he would pick up his hides in this market to which the Senator from North Dakota refers as being open to him.

Mr. McCUMBER. Why did he not go to the Argentine for his hides?

Mr. BEVERIDGE. Allow me for a moment. I am telling what happened. A fact is better than even the Senator's excellent logic. For two years he did that. He had the greatest difficulty in getting hides to tan. He was finally put to such straits to get them that he concluded that, after all, it would be better to buy them from the packers. He went back to the selling agent of the packers from whom he had purchased these hides and who was a good personal friend of his and proposed to purchase the hides as of old.

The agent of the packers who sold the hides said: "Where have you been getting your hides in the last two years?" "Oh," he, said, "I have just been picking them up here and there." The agent of the packers said, "Well, you had better continue to pick them up here and there," and declined to sell him the hides because he had dared to go out in this open market of which the Senator from North Dakota speaks. He quit that open market and went back to the packers as a business proposition, because he found it difficult, almost impossible, to get his hides there, and yet I understood from the Senator who told me very graphically this incident within his own personal observation, that that man, who was running a tannery established by his father and which had been growing constantly up to two years ago, has now concluded to quit the business, utterly driven out of it by being at the mercy of the packers, who sell him or do not sell him, just as they see fit. That is a fact.

Mr. LODGE. Mr. President, I desire to close, and I have a few words, not directly connected with hides, which I wish to say before I take my seat.

To the best of my ability I have tried to state the case for these great leather industries which extend into almost every part of the Union and which are so important, not only to those engaged in them, but to the great body of the American people who use and consume their product. Yet, despite the fact of the wide dispersion of these industries, I am fully aware that to my part of the country, and particularly to my own State, they are of especial moment. It would be hypocrisy to say that I am not influenced by the interests of my State and of New England. I not only am, but I should be unworthy to sit here if I were not profoundly interested in all that concerns the welfare of Massachusetts. I may add that I have not observed, in an experience of five tariff revisions, that any Representative or Senator was insensible to the wishes and hopes of his own State. Each one of us endeavors to do all that he possibly and honestly can for the interests of the people whom he immediately represents. He would be unfit for his trust if he did not do so. At the same time I have endeavored in all my dealings with the tariff to give to every part of the country the same consideration which I demanded for my own. In every tariff bill for which I have voted, and in this bill, for which I intend to vote, there are many items which I should oppose if I was willing to govern myself solely by local or selfish motives, but I have always felt that if we were to have protection it must be given to every person and every industry which could show a fair title to encouragement, and that if we were to have a free-trade tariff it must be free trade for everybody. In that specious and elastic formula of a "tariff for revenue only," which in essence means the protection you want for your own industry and free trade for your neighbor whose products you buy, I have neither belief nor sympathy. The one tariff which is certainly wrong and bad is the tariff which gives free trade to one man and protection to another when both are equally entitled either to protection or to free trade. Therefore, Mr. President, in view of my consistent attitude on this question, in view of the many votes which I have given and which I shall shortly give on tariff questions, I think I may say that, although I am wedded to the interests of my State, I endeavor not to be unduly biased by them to the injury of any other State. I certainly am not in the position I have taken in regard to hides, as I have repeatedly said.

In the course of the discussion aroused by this revision of the tariff a good deal has been said about New England; some attacks have been made upon that portion of our common country, and it has been charged that she has had an undue influence in tariff legislation. The rule of seniority has always been wisely and pretty strictly applied in the Senate of the United States, and if of the seven Senators longest in the service five are from New England that is merely an evidence of her good fortune, to which all other sections of the country can attain if they follow her example. I am proud to say that New England has always had a large influence in the legislation and the administration of the Government of the United States, but that that influence has been undue or improper, or has been willfully exercised to the injury of any other section of the country I wholly deny. We of New England know that the welfare of California, the development of her industries, and the exclusion of Asiatic competition from her coast are as important to us as they are to her, and to all that great and noble region of our country. We know that the prosperity of Kansas and Nebraska, and of all the great wheat-raising and corn-growing States of the West is vital to our prosperity. We feel more keenly, perhaps, than any other part of the country the importance of steady and widespread prosperity throughout the South, for on her great staple our largest industry depends. We have long since learned the lesson that our own prosperity is indissolubly bound up with that of all parts of our common coun-

try. All we ask is that the same feeling should be returned to us, and that our brethren of the other States should realize that in the East and in New England they find their best market, their best customers, and a great deal of the capital which they need for their own development. Our New England States are old in settlement and small in area, but voting is done by men and not by acres. We have 41 electoral votes which could ill be spared either by the Republican party or the cause of protection. We do not differ in our interests, our population, or our industries from the Middle Atlantic States. New York has 39 electoral votes, New Jersey has 12, Pennsylvania has 34, and Delaware has 3. It is needless to say that west of New York are also great industrial and manufacturing States reaching to the Mississippi and beyond and presenting large areas made prosperous by industries vitally concerned in the maintenance of the protective tariff. But to those 10 Eastern States which I have mentioned, and which are nearly identical in interest, I would call special attention as an example. They are old in settlement, I repeat, small in area compared to the rest of the country, but they cast 129 electoral votes, too large a number to be overlooked, too important in deciding the fate of government and parties to be lightly accused of undue influence. Nor are the Eastern States retrograding in population. At each of the last censuses Massachusetts gained a Congressman and the same is true of Pennsylvania and New York.

Mr. KEAN. And New Jersey also.

Mr. LODGE. And New Jersey.

There are a good many States in the Union, and some of them much younger than we are, which can not furnish this proof of steady and healthy growth.

We recognize the enormous debt we owe to the Union of States, but I do not think that we have ever shrunk from bearing our part of the burdens of the Nation. Concord and Lexington and Bunker Hill are our enduring monuments of the Revolution. In the hours of the darkest trial Massachusetts sent more than her quota—over 150,000 men—into the armies of the Union. We had no slaves to leave behind to carry on the work of the community, and yet that work went steadily forward all through the days of war, although one man of military age in every two went to the front. I do not mention this to arrogate to my State any peculiar distinction in patriotism, but merely to show that we have always been ready to do our share and more than our share when the country called upon us. Our States of New England are small in area and rich in natural beauty, but poor in natural wealth. We have no minerals, no vast tracts of fertile land. We have a severe climate, and the possibilities of our agriculture are limited by our northern temperature. Except for the power of our rivers and the forests of Maine, nature has conferred upon us no gifts which in themselves mean wealth and ease and prosperity. The one thing due to nature which can not be taken from us by more favored regions is our seacoast with its harbors. From the sea the New England colonies drew their wealth. Starting with the fisheries, the New England whalers, merchants, and sea captains pushed their commerce and bore their flag into every quarter of the globe. The embargoes, nonintercourse acts, and the war of 1812 fell with crushing effect upon New England and drove her seamen from the deck and the wharf to the farm and the factory. Despite all this, the tariff of 1816, carried under the leadership of Calhoun and the brilliant group of men who had come into Congress before the war, found New England still a commercial community, in the main a seafaring people, chiefly dependent on foreign trade and adverse to protective duties. Daniel Webster spoke against those duties, but the protective policy founded by Hamilton was too strong to be resisted, and New England adapted herself to the new policies which she had not forced upon the country, as she had already done to her hard natural conditions, and Webster became the great champion of protection.

In 1828, when the famous tariff bill of that year was before the Senate, Mr. Webster made a speech explaining his change of position. He said:

> New England, sir, has not been a leader in this policy. On the contrary, she held back herself and tried to hold others back from it, from the adoption of the Constitution to 1824. Up to 1824 she was accused of sinister and selfish designs, *because she discountenanced the progress of this policy.* * * * Under this angry denunciation against her the act of 1824 passed. Now the imputation is of a precisely opposite character. * * * Both charges, sir, are equally without the slightest foundation. The opinion of New England up to 1824 was founded in the conviction that, on the whole, it was wisest and best, both for herself and others, that manufactures should make haste slowly. * * * When, at the commencement of the late war, duties were doubled, we were told that we should find a mitigation of the weight of taxation in the new aid and succor which would thus be afforded to our own manufacturing labor. Like arguments were urged, and prevailed, but not by the aid of New England votes, when the tariff was afterwards arranged at the close of the war in 1816. Finally, after a winter's deliberation, the act of 1824 received the sanction of both Houses of Congress and settled the policy of the country. What, then, was New England to do? Was she to hold out forever against the course of the Government, and see herself losing on one side and yet make no effort to sustain herself on the other? No, sir. Nothing was left to New England but to conform herself to the will of others. Nothing was left to her but to consider that the Government had fixed and determined its own policy; and that policy was *protection.* I believe, sir, almost every man from New England who voted against the law of 1824 declared that if, notwithstanding his opposition to that law, it should still pass, there would be no alternative but to consider the course and policy of the Government as then settled and fixed, and to act accordingly. The law did pass; and a vast increase of investment in manufacturing establishments was the consequence.

I can add nothing to that lucid statement of the foundation of our protective policy and of the attitude of New England in regard to it.

There was one law and one policy for the whole country. Every State could avail itself of it. New England made the best of the situation. That was all, and it does not become those who declined to take advantage of what was common to all to censure New England for doing so. That protective policy has continued with fluctuations but always protective down to the present time. The only industry to which protection has never been extended is that of the shipowner, which was peculiarly a New England interest in the old days and owing to our refusal to protect that industry it has now disappeared from the face of the waters. Driven from the ocean, we of New England deserve praise, not blame, that we have turned with undiminished courage to a new scene and won prosperity on the land.

Thus shut out from her natural element, the whole energy of New England went into manufactures, and we have built up great industries and made populous and thriving States. The State I represent in part is, with four exceptions, the smallest in the Union. Fifth from the bottom of the list in area, we are seventh in population. Fifth from the bottom of the list in area, we are first in cotton textiles and in boots and shoes. We are one of the great woolen-making States. In 1905 our manufacturing production was over a billion dollars in value, and of that billion dollars small industries, with capital averaging not over a million dollars, produced in the aggregate over three hundred millions. With the exception of New York, New Jersey, and Pennsylvania, there is no State which has such a variety of industries. Four years ago there were over four hundred and eighty-eight thousand people employed in our industries, as operatives, which means, probably, at least a million and a half who drew their living directly from the wages paid; while of the remaining million and a half or more of our population, a very large proportion were directly or indirectly supported and sustained by the industries of the State. We paid out two hundred and seventy-two millions in wages and salaries in 1905. The capital invested was nine hundred and sixty-five million; the number of establishments nearly eleven thousand; the value of the stock six hundred and twenty million; and the value of the goods one billion one hundred and twenty-four millions. These Massachusetts operatives and workingmen and women have put over seven hundred millions into the savings banks of the State. It is all their money, for the average deposit is only $125, and the law prevents a larger deposit than $1,000 by any one person. It is their hard-earned money which has gone out to help in the building of railroads and the construction of public improvements in the newer States.

Do you not think that it is in the common interest of the entire Union that the wages of these thrifty, hard-working people should be maintained and that their opportunities of employment should be enlarged and not diminished? In my own lifetime I have seen the city of Lynn at my own doors grow from a country town into a great city of 80,000 people, built up on this single industry of boots and shoes of which she sends annually millions into the markets of the world. I have seen Brockton and Haverhill become great centers of the same industry and cities rise where villages stood before. Salem, once the home of the East India trade, whose ships clove the waters of every sea, deprived of her commerce has found a new life and a new prosperity in the leather industries which now fill her streets with an active, growing population who rejoice in her traditions, preserve the beautiful old houses of her merchants, and hold as consecrated the places which were touched and immortalized by the genius of Hawthorne. Far from coal and iron mines, Worcester has risen to be a great city and is to-day one of the centers of the metal industry. New Bedford, built up by whaling, and whose hardy seamen, penetrating in pursuit of their prey to the frozen regions of the poles, drew forth the eloquence of Edmund Burke, turned from the sea where a harvest could no longer be gathered and has become one of the leaders in making cotton goods. Fall River and Lowell and Lawrence are the great exemplars of what has been done in cotton and woolen textiles—a vast industry whose factories are scattered throughout the State.

Holyoke and Springfield, strong and prosperous, have found their success in making paper, and I might go on with a list of industries which would reach into every corner of the State and which, starting with the fishermen of Gloucester and Provincetown, would extend to the papermakers of Dalton and the cotton spinners of North Adams and would cover in its course almost all the important industries in which civilized man engages. I should be something worse than insensible if I did not feel a great and honest pride in such a record of achievement by the people of my State—the State of my birth, where I have lived all my life, where my kindred have lived before me from 1630 onward, and from which I hope never to be separated whether living or dead.

But I do not mention this in order to boast of that in which I feel a just pride. I use Massachusetts only as an example of New England and the East. We have won prosperity and we have won it through no chance gifts of Mother Earth, but solely by the brains and the energy, the intelligence, courage, tenacity, and education of our people—the naturalized and the adopted as well as the native born. We have not snarled or grumbled at the prosperity of any of the other States. We have not sought to injure or destroy the success of other Americans anywhere. We have rejoiced in it. We have been content to do the best we could under the conditions imposed by nature and by the legislation of the United States and we have succeeded and achieved a hard-won prosperity. Under the economic policies which the Government of the United States has adopted we have built up our industries and added thereby to the capital, the wealth, and the prosperity of the whole country. We do not come *in forma pauperis* to sue for favors, or in the guise of robbers to plunder others for our own benefit. We come to the council table of the Nation, to whose upbuilding we have contributed, with a deep consciousness that there is no prosperity worth having which is not part of the Nation's prosperity, and we ask only that we should be dealt with according to our merits and that our great industrial population should receive the same treatment and consideration as that which is accorded to all Americans in all parts of the United States.

APPENDIX.

[From No. 3499 of the Daily Consular and Trade Reports, published by the Department of Commerce and Labor, Bureau of Manufactures, under date of Saturday, June 5, 1909.]

ERFURT SHOE INDUSTRY.

GERMAN MANUFACTURERS WILL SEEK AMERICAN TRADE.

Consul Will L. Lowrie writes that three of the largest German shoe-manufacturing establishments in Erfurt are now in charge of experts from the United States. He also tells of their industrial operations:

All these factories are producing American-shaped shoes, which are meeting with ready sale in Germany. Certainly one, and perhaps all, of these concerns will make a display at the forthcoming shoe exposition in Boston (in September, 1909) and will try to secure a foothold in the American market.

The average wages paid are shown in the following table:

Class of employees.	Average weekly wages.
Females:	
Apprentices	$1.42 to $1.90
Closers on	3.33 to 3.57
Sewers	[a]4.28
Males:	
Apprentices	1.42 to 2.85
Upper cutters (hand)	5.23 to 6.42
Upper cutters (machine)	6.42 to 7.14
Machine hands:	
Edge trimmers	6.42 to 7.14
Heel trimmers	6.42 to 7.14
Edge finishers	6.42 to 7.14
Bottom finishers	4.28 to 4.76
Die cutters	[a]5.71
Eyeleting hands	[a]7.14
Heel builders	4.76 to 5.71

[a] Average.

As against the wages therein noted, I will not offer any statement; but would ask the Senators to secure from the statistics obtainable or from their constituents, shoe manufacturers, the average wages paid in America, for comparison with those above set forth.

It can therefore readily be appreciated that the only balance which could be resorted to for the protection of the industry, would be the reduction of the wages of the American shoemaker. Let us hope that this exigency may not occur. Let our tariff legislative policy continue as in the past, protective to American workmen.

Yours, truly,

JOHN H. HANAN.
SOL WILE, *Secretary*.

JUNE 8, 1909.

UNEXPENDED BALANCES OF APPROPRIATIONS.

Mr. FRYE. Mr. President, I wish to call the attention of the Senate to what I regard as rather an important matter.

In the sundry civil appropriation act there was a provision that all unexpended balances should be covered into the Treasury on the 1st day of July. There are now under way over 125 river and harbor improvements with unexpended balances. Some of them are of very great importance, like the Sault Ste. Marie locks, the dams of the Ohio, the Mississippi River. These improvements affect almost every State in the Union, commencing on the extreme south and going north, and on the western coast and around the Lakes. Unless there is a joint resolution passed now by Congress, every one of those improvements will stop absolutely the 1st day of July. The Committee on Commerce unanimously reported a joint resolution (S. J. R. 33) excepting the river and harbor improvement balances. I ask unanimous consent that the joint resolution may now be considered by the Senate.

Mr. ALDRICH. I will not object to it if it leads to no discussion.

Mr. FRYE. It will lead to no discussion, because I have stated everything that there is to be stated about it.

The PRESIDING OFFICER (Mr. ROOT in the chair). Is there objection to the present consideration of the joint resolution?

Mr. CULBERSON. Let the joint resolution be read first.

The PRESIDING OFFICER. It will be read.

The Secretary read the joint resolution (S. J. Res. 33) relating to the provisions of section 10 of the sundry civil act of March 4, 1909, as follows:

Senate joint resolution 33.

Resolved, etc., That the provisions of section 10 of the act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1910, and for other purposes," approved March 4, 1909, shall not be construed as applying to the unexpended balance of any river and harbor appropriation the use of which may be essential, in the judgment of the Secretary of War, for the further maintenance or prosecution of the work to which it pertains as heretofore authorized by Congress.

Mr. DANIEL. Has the joint resolution been reported by a committee?

Mr. FRYE. It was unanimously reported by the Committee on Commerce.

Mr. DANIEL. I have no objection to it.

There being no objection, the joint resolution was considered as in Committee of the Whole.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. FRYE. I am obliged to the Senator from Rhode Island.

THE TARIFF.

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

Mr. WARREN. Mr. President, I think everyone within the sound of my voice will realize under what disadvantage I rise to address myself to the subject which has just been so ably handled by the talented Senator from Massachusetts [Mr. LODGE]. I want to thank that Senator for his frankness in discussing the question, and I want to assure him that the tribute he has paid to his part of the country, his own State of Massachusetts, has found as warm a response in my heart as it would be possible to find in his own heart.

But I want the Senator to remember that in the building up of Massachusetts and the great army that he proudly and justly boasts of sending out to the civil war, there were many Massachusetts sons who helped to fight the battles of that war and helped to build up that State and the others he has spoken of who are now yonder on the Pacific coast, in the Rocky Mountain country, in the Mid-West, and scattered all along over the country, who come back East with just as much love and reverence for the great States of New England as when they went away. But when they array themselves here in solid phalanx and vote for protective tariff on items by the thousands for New England and for the manufacturing States, they expect, upon raising their hands here in Congress for two or three items in which they are directly interested, that such items shall be justly and kindly considered. It does not rest in the mouth of any Senator, no matter how talented or distinguished, no matter what his accomplishments may be as a statesman and scholar, to assert that the farmer in the Rocky Mountain country does not get any benefit from this or that upon which the farmer desires protection.

An eastern Senator may not say that there shall be no duty upon hides because it does not do the farmers in the West any good, while meantime the western Senators stand here insisting that such duty does benefit the farmer, and are able abundantly to prove it.

After the eloquent peroration so splendidly delivered by the Senator from Massachusetts, devoted to his State and the adjoining country, I may respond in some faint echo from the

West before I have finished, but at present I want to call the Senator's attention to his suggestion—that if this product is proved to be one that needs protection, then he is willing to give it.

Mr. President, if there has been any argument presented here by him, or by anyone else, that serves to prove that the farmers do not get that benefit, I have failed to hear it.

Mr. President, during the sixty-seven years last past—and that length of time takes us back about as far as most of the Senators of this body can remember—hides have been taxed the greater portion of the time, forty-two out of the sixty-seven years (besides the period after 1890, when 1½ cents per pound was imposed under certain conditions), and including the twelve years last past.

The boot and shoe and leather business was never more prosperous during any period in the life of this Nation; in fact, never was as prosperous, according to the showing made by statistics, as during these last twelve years, when the tariff on hides has been exactly the same as that proposed by the Committee on Finance in the present bill.

For thirty years during the sixty-seven alluded to there was not only a tariff on hides such as now exists, but hides and skins of all cattle were included—calfskins and kipskins, as well as goatskins, sheepskins, and so forth; and the rate varied from 4 per cent to 10 per cent—during much of the time 10 per cent; and during all of the time it was practically a higher duty than that of the last twelve years, inasmuch as the lower rate upon all classes of hides and skins made the leather, as a whole, subject to higher duty than the 15 per cent on cattle hides alone amounted to under the Dingley Act.

The fact that hides have been duty free about one-third of the time seems to have had the same effect upon the leather trusts as the increasing hoard of the miser has upon him—that is, the more he gets the more he wants, and the more eager and unhappy he is.

It seems that the great profits of the leather trusts, and the generous profits of the boot and shoe people, through the high tariff imposed upon importations of boots and shoes brought into this country, while they had over 77 per cent free raw material, and only 23 per cent taxed at almost a nominal figure, have tended to enable them to accumulate a great fund with which to exploit free-trade doctrines.

The corridors of this Capitol and its annexes have been plentifully filled, and the mails of every Senator have been loaded, in season and out of season, with demands—importunate and continuous—from those favoring free hides; some hired as attorneys and agents to present the subject here; and some engaged in business affected by the tariff on hides, who appear in their own interests.

This lobby—if I may call it such—is numerically stronger and more insistent than any I have known in Washington during my years of service as a Member of this body.

But it must be observed in this connection that neither the producers of hides, who are also great consumers of leather in harness, saddles, footwear, and so forth, nor the consumers of the product—the ordinary wearers of boots and shoes—who pay the bills, are here, or are protesting against the Dingley Act.

There are good reasons why the wearers of shoes are not here protesting, for the fact is it has never made one penny's difference in the price of shoes, and never will. In fact, no reduction is now promised in the price of boots and shoes along with the demand for free hides.

And another fact curious to note is that the beef packers are not here through representatives, petitions, letters, or requests of any nature. Apparently they do not care a fig whether hides are free or taxed; and, of course, they can afford to be indifferent, because if the value of domestic hides is to be reduced by the removal of the tariff on hides, they have only to charge it back to the cattle grower, the farmer, as being just that much value legislated out of the farmer's pocket in favor of the middleman, who wants to import free his material in order to increase his swollen gains.

I have not received a single line or letter or expressed wish from the packers, through any source whatever, to the effect that they desire a duty on hides. If any other Senator has received any communication from the packers, I have not heard of it. I do not believe the packers are paying any attention to this legislation, notwithstanding the fact that every one of the communications from those who protest against a tariff on hides rails against the beef packers.

Those correspondents who are crowding this matter of free hides upon us so forcibly are the middlemen—those who make their profits from the handling of hides and leather, much of it for export—and who want to enlarge that profit to the injury of the producer and at the same time give no benefit to the consumer.

The tariff on hides has not affected the price of shoes one iota in the past, and will not in the future, for, confessedly, it would amount to but a few cents—less than 2 cents in some cases and possibly reaching 5 or 6 cents in others—in the price of a pair of shoes. As upper leather is subject to no tariff, and as only the hard sole leather is affected, soft-sole shoes for children's, ladies', and even men's wear are not affected.

I undertake to say that not a single term of years can be cited in all the years when hides were free in which the tanners or the boot and shoe men can show the amount of business, the amount of profit, or the growth that they have shown when hides were dutiable. It has been said that the boot and shoe men do not want a tariff on shoes if they have no duty to pay on hides. It has been said by others that they do. I want to say here and now, before proceeding further, that I want to be able to vote hereafter for a tariff on shoes and boots and harness and leather goods, but if it is insisted upon I am only too ready and willing to accept the challenge and say that they may have free hides when we have free boots and shoes and leather.

I may say still further, if I am any judge, there will be the opportunity very soon after hides are made free, if they should be left on the free list, to know what effect free boots and shoes and free leather will have on these industries.

Mr. President, there never has been since I have been in the Senate such a propaganda upon any subject as upon this free-hide campaign. There never have been as many lobbyists, hired and voluntary, about the corridors of this Capitol; there never has been such a load of written and printed material in the files of the Capitol as has come to the Senate favoring free hides; and in all this material—and I think I have seen it all—the arguments for free hides rest, and I say it with all respect to those who have been influenced by them, upon misrepresentation, as I will show.

I claim that the profits of the tanners and the shoe men have been much larger than ever under Dingley Act rates, and I am going to put the figures in the RECORD to prove it. I am going to say, on the other hand, that I can find no reason why the tanners are asking for this reduction in the tariff unless it be with the disposition of the miser referred to—the more he gets, the more he wants—and therefore the tanners, having had free hides for a few years, want to put that much more margin or profit into their nefarious pockets. No one promises lower prices for boots and shoes. You may find if you look over the papers that here and there some shoe man, on his own authority, says that; but you will find that their text-books and official association papers, one and all, carefully avoid the subject of lowering prices on shoes.

They bring in here the one proposition that the meat trust is the great bogey man and must be captured and destroyed. So far as the meat trust is concerned, this free or taxed hide subject was up twelve years ago, and the tanning, leather, and boot and shoe people were down here then, to some extent. They issued their regular text-book, and they did not then complain of the meat trust. They had nothing to say then about the meat trust, but they claimed that if we put on a duty of 15 per cent, they would all go to ruin in less than ten years, instead of which they have been gaining over 50 per cent per annum in increased exports of shoes and gaining largely all along the line in tanning and other business.

But, Mr. President, after there was a certain book written by one Upton Sinclair, a book called "The Jungle," the tanning trust immediately commenced to speculate upon the bad reputation of another trust; and the leather trust, upon the principle of the pot calling the kettle black, started the cry of the usurpation of its business by the meat trust.

Suppose we allow every claim they make against the meat trust. I have failed to obtain an answer from either the distinguished Senator from Minnesota [Mr. CLAPP] or the able Senator from Massachusetts [Mr. LODGE] to the question, What effect is it going to have on the meat trust if we put hides on the free list? What is to prevent that trust—so called—from going on just as it does now? I am yet pausing for answers to that interrogatory.

It has been said, and you will find it in all this literature, that the packers are here demanding a duty on hides. I have issued one challenge; I will issue another. If anything has been presented here by any packer in the United States, either directly, in conversation, or in letters, in the way of a request for a duty on hides, I hope some Senator will rise in his place and tell the extent of it, for, so far as I know, the packers are paying no attention whatever to the matter, and apparently are unconcerned as to whether hides shall be free or whether they shall be taxed.

The men who raise the cattle of this country are those who are interested in the question. The men who wear the boots and shoes of this country are not here demanding free hides. It is simply the middlemen, the tanners, and the manufacturers who hope to get in between the producer and the wearer and take a certain toll from the farmer without benefiting the ulti-

mate consumer. The free-hide advocates are asking 12,000,000 farmers to pay tribute to two hundred and odd thousand—according to the authority of the Senator from Massachusetts—workers in boot and shoe factories and in tanneries. They are asking the farmers to give up the little amount of 15 per cent upon cattle hides alone, which has heretofore rendered them some benefit. They are asking the farmers to give up their protection, and yet the manufacturers say: "You shall pay on boots and shoes; you shall pay on harness; you shall pay on leather; you shall pay on the leather in the lounge or chair you sit or recline upon; you shall pay on every item of leather that you have to use; and yet you, the producer of that leather, shall not have the one dollar or the dollar and a half protection upon each hide you may produce."

Mr. President, a beef hide that would spread over several chairs and pieces of furniture and make boots and shoes enough for several families is only subject to a duty, if we had to pay it, of a dollar, a dollar and a half, or such a matter.

During several long years in one group of Western States we had to bury cattle hides so that they would not become a nuisance around the houses, because we could not sell them for enough to pay the freight charges upon them. In the meantime, we had to submit to a 45 per cent ad valorem duty on harness and saddles, and also duties on every leather glove, every leather boot or shoe, and every other leather item about the place. All this time these farmers were thus contributing cash to line the pockets of the leather trust. While burying the cattle hides which they produced on their farms, they were compelled, because of free hides, to buy and bring in all their leather goods, every article of which was under a protective duty.

Mr. President, there have been eight or ten points alleged by those who authoritatively represent the advocates of free hides. I will give the points, and I want careful attention to them. They are as follows:

(1) That the tariff on hides was inserted in the conference on the Dingley bill—and they insinuate that there was something surreptitious and uncanny about it, and that neither the Senate nor the House gave its consent to the legislation prior to the meeting of the conferees.

(2) That the 15 per cent duty does not benefit the farmer.

(3) That the packer gets the only benefit and all the benefit.

(4) That to remove the tariff would affect the consumer.

(5) That the leather trade is languishing because of the tariff.

(6) That the boot and shoe trade is languishing because of the tariff.

(7) That the quantity of domestic hides is decreasing.

(8) That the present duty is not a protective duty.

(9) That the present duty is of no account as a revenue tax.

(10) That the packers absolutely control domestic hides and dominate the prices.

I deny the truth of each and all of these assertions.

As to the first point: The free-hide people, believing that Senators and Representatives and others are living in ignorance regarding this question, have issued what they term "The Free Hide Text-Book," published by the National Association of Tanners last November, following their meeting in August, at Chicago. It will be noted that they took time by the forelock, and were in the hedges, highways, and byways to meet Congress immediately upon its assembling last December.

I shall quote freely from their own statements and figures to show the fallacy of their arguments.

From page 3 of this book I quote:

> In the Senate, however, the tariff was put upon hides during the compromise hours.

From page 6 of this book I quote:

> In the conference hours before the final passage of the new revenue law—

Meaning the Dingley Act—

> a tariff of 15 per cent was put upon hides. Just how it was done has always been in dispute.

Another one of the official free-hide publications, entitled "A Common-Sense Appeal," has the following:

> It crept into the act during the conference hours, and was imposed without sufficient consideration being given to the interests of the tanners.

Another document of at least semiofficial boot and shoe origin states:

> Every Senator should know that the present duty was tacked on the Dingley bill at the eleventh hour in an unguarded moment.

And there are still other statements to the same effect which I will not take time to quote.

Now, Mr. President, every Senator in this body who was here during the consideration of the Dingley bill knows how utterly false these statements are.

It will be seen that after the assertion that the tariff on hides was inserted during the conference on the Dingley bill, they go on and insinuate that there was something surreptitious and underhanded about it.

When I speak of the official free-hide text-book I want to say that just as soon as the two great political parties had met and made their nominations, these free-hide men met in Chicago. They elected officers, a president, vice-presidents, secretaries, executive committee, and directors, an even hundred men appearing on the board of officers, and they issued the book to which I have referred, and sent it immediately to Senators and Members of the House.

Mr. President, this whole fabric, this whole scheme of free hides, is based upon the rankest kind of a misrepresentation, to call it by no uglier name.

I will state from memory the facts concerning the Dingley tariff bill; and if I am wrong, some Senator will correct me.

That bill went at once to a subcommittee of the Finance Committee of the Senate, and I recall that Senators Allison, of Iowa; Platt, of Connecticut; and Wolcott, of Colorado, all now deceased, were upon that subcommittee. I believe the present chairman of the committee was also a member of that subcommittee, but he can state whether that is correct or not. I recall with regret that the Senator from Rhode Island [Mr. ALDRICH] was ill during a portion of the time when the Dingley bill was under consideration.

One of the first things talked about was the tariff on hides. Before they had gone very far in that consideration a conference of Republicans was called, and they met yonder in the Marble Room, as usual. The subject was thoroughly discussed. The chairman of that caucus, now gone to the other side, Senator Allison, was in the chair. After a thorough discussion by other Senators, that Senator left the chair, took up the matter himself, and asked that caucus for taxed hides. A distinguished Senator on this floor from New England arose in his place and said: "While the people in my State are opposed to this, I can not sit here and consider the three or four thousand articles in by State to be benefited by this act, and then, when Senators have already stated that they have but three or four items in their States and that an important one is taxed hides, say them nay."

The Senator moved that the committee should put a duty upon hides which would be the equivalent of an ad valorem tax of anywhere from 15 per cent to 40 per cent, in the judgment of the committee, and upon that the committee inserted, if I remember correctly, and I think I do, 2½ or 1½ cents a pound upon hides. The bill was reported from the Finance Committee to the Senate May 4, 1897, containing the duty on hides as stated. When it passed the Senate, July 7, 1897, it passed with 20 per cent ad valorem duty on hides, and went to conference. Now, there are Senators here who know whether I am telling the truth or not. Yet you have here repeated and reiterated in these prints sent to us the statement that we surreptitiously, in conference, against the law and contrary to the rules of these two bodies, perpetrated a great wrong.

Mr. President, I have never seen an example of supreme effrontery equal to that in all the world. A body of men supposed to be educated men, supposed to be honorable men, come here, forgetting that there are old Senators who were here twelve years ago, and say to this Senate: "You shall take the duty off of hides because you stole it and wronged us twelve years ago."

Mr. President, let me say, in passing, that if it has been noticeable here on this floor that the representatives of the great Northwest have rallied around the Committee on Finance; if it has been noted that they have remained here and voted day in and day out, from 10 o'clock in the morning until 11 o'clock at night, to support item after item in which they had no direct interest, let me say that it has been largely due to just such acts as that of the distinguished Senator from New England, who rose in that caucus and proposed a duty on hides, even against the wishes of some people in his State, in order to insure harmony, to insure proper duties on many items in his own State, and to do as he would be done by; and of that other distinguished Senator, now rising in his place, who voted to place hides upon the dutiable list at 20 per cent ad valorem.

Mr. ALDRICH. Will the Senator permit me a moment?

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Rhode Island?

Mr. WARREN. I do.

Mr. ALDRICH. The subcommittee which drafted the Senate amendment to the act of 1897 placed the duty on hides by the vote of that subcommittee in the bill as it was originally drafted by them. I have before me that amendment, which is in the first print of the bill as prepared by the subcommittee. It contained this provision:

> Hides of cattle, raw or uncured, whether dry, salted, or pickled, 2½ cents per pound.

The same provision was in the bill as it was reported by myself from the subcommittee to the Senate in precisely the same language.

I stated the other day in the Senate the way this amendment was originally agreed to in the subcommittee. It was agreed to upon the special and personal appeal of the late Senator from Iowa, Mr. Allison. It had the support of the other members of the subcommittee, the then Senator from Connecticut, Mr. Platt, and the then Senator from Colorado, Mr. Wolcott, and myself. It was placed in that bill with the entire acquiescence and support of every member of the committee.

After the bill came into the Senate, the conference to which the Senator from Wyoming refers met, and it was agreed that the rate should be changed from 1½ cents per pound to 20 per cent ad valorem. It passed the Senate in that form and went to the conference committee. In the conference committee the reduction was made from 20 to 15 per cent. That, in brief, is the history of the duty on hides. There had not been a duty on hides since——

Mr. WARREN. Since 1872.

Mr. ALDRICH. Since 1872. It was put there deliberately; first, by a vote of the subcommittee; second, by a vote of the Senate; third, by a vote of the conferees; and, finally, of course, by the vote of the Congress.

Mr. WARREN. I thank the Senator for substantiating what I said. I knew I was right about it, but I call the attention of the Senate to the fact that I do not have to depend alone upon the memory of able Senators here. I call the attention of the Senate to the fact that those men who wanted free hides were here then in this Capitol building, in all of these corridors, as they are now, tweaking us by the elbows and asking us not to put a duty on hides.

They met here in this city soon after Congress convened in special session, and on the 14th day of April they issued their official free-hide text-book. I have here in my hand that text-book. The bill became a law late in July; and yet here on the 14th day of April, they had, after a month of skirmishing, put their objections into writing. They had come here with a text-book to teach Senators their places and what they should do. There is nothing in this book about a conference and a surreptitious adding of the duty on hides at the last moment. Here were some four months of their work, according to this text-book, laid before this Senate before we finally determined the matter. They had their day in court; but they are like the boy who invites a fight, is badly whipped, and then runs home and makes excuses for himself, saying that he stubbed his toe, or that he was sick, or that he was unfairly slugged.

The imposition of that duty was as straightforward, as honest, and as aboveboard as any other item that ever passed through this Senate, or that was put upon that or any other tariff bill. It was not only discussed in the subcommittee, but it was discussed in the caucus, in conference, in the full committee, and on the floor of the Senate.

But, Mr. President, it has been said, and truly said, that a chain is only as strong as its weakest link. Among the campaigners in this free-hide propaganda are honorable men asking for free hides who believe that they ought to have them; but when you trace it back, this false charge of wrong practice in inserting taxed hides in the Dingley bill undoubtedly originated with the leather trust, and possibly with some dishonorable or misinformed boot and shoe men. It originated with men who do not know any better than to come before us and tell us what we ourselves as Senators did, and tell us wrongfully at that. Such men as these are not in a position to teach me whether I, in raising cattle, get any benefit from a hide tariff or not. I do not have to go to Massachusetts nor to Pennsylvania nor to the leather trust nor to anybody to ascertain whether a farmer gets any benefit from the duty on hides.

The farmers are not here asking to have the duty taken off of hides. I know that there is one purported petition, with 17 names on it, in the archives of this Senate, in which the signers say they are farmers. I know, also, that there are some thousands of names here on other petitions—and I will refer to them later—where they have had these "patent-inside" prepared petitions sent, and with them letters of minute instruction, and they have been asking about everybody to sign and send them here.

Now, if we apply the rule, that a chain is only as strong as its weakest link, where does it land all these stereotyped arguments that are being sent in here, all, or nearly all, of which arise from one well-known source, and that a trust, if there is any such thing as a trust under the sun in the United States? Is this an uprising of the shoe men? Are they the initial movers? Not at all. I had occasion, during my recent trip West, to call upon some of the men who have sent letters and telegrams to me—and doubtless to others—suggesting in some cases, demanding in others, that we have free hides; and I asked them what were their reasons for and what their real interest in the letters and telegrams sent. I was informed in every case, by shoe men, bankers, and others—and I did not meet one among the number who gave me different information—as follows: "Why," the shoe men said, "the firms from which we buy shoes have asked us to do this, since the leather men declare that we must help them or they will have to increase their prices on leather." The bankers said: "We know nothing of the merits of the case; we were asked to approach our Representatives in Congress and our Senators by certain people who have done business through the bank and are interested, we suppose, in the tariff. Personally, we know nothing about the matter."

This brings me to the subject of the great leather trusts which were dominating the leather trade with almost a clear field until the packers were forced to tan some portion of their beef hides in self-protection, as the leather trust proposed to make prices on their raw material, in way of hides, and later on the leather sold to the manufacturers.

The public is interested, not in seeing trusts succeed, but in seeing competition. And even now there is a struggle between the great leather trusts—one of sole leather and one of upper leather—and the packers. And so, perhaps, in time the wearers and consumers of leather may get their rights.

Mr. President, I ask to submit certain facts and tables regarding the formation of the United States Leather Company, the Central Leather Company, and the American Hide and Leather Company for insertion in the RECORD.

The matter referred to is as follows:

MY DEAR SIR: Senators from all the States have received hundreds of telegrams, postal cards, and letters urging free hides. The phraseology of these communications, from many thousands of widely scattered communities in the United States, is strangely similar. The identical language which has come from all States of the West and the South is: "The people of Ohio," for instance, "are in favor of cheaper and better shoes and opposed to legislation in the interest of the beef trust." These communications come, as a rule, from retail shoe dealers, hide and leather dealers, and tanners. Being so similar in language, and coming from such similar sources in all States, suggests similar origin or inspiration. Many of the communications assert that the packers (none mention the two leather trusts) and not the farmers get this tariff-added value to the hide. The duty on hides means not less than $1.50 to the farmers and the cattlemen for every cattle hide raised in this country. There is only one way by which the Chicago packers or the two great hide and leather trusts of the East can deprive the farmers and cattlemen of that direct benefit in the tariff law, and that is by placing hides on the free list.

But there are trusts and trusts in the hide and leather industry. And since there has been so much publicity about the Chicago packers, for the evident purpose of doing injury to the farmers and cattlemen, the interests of the latter and circumstances in connection with the free-hide propaganda suggest that Senators and the public should be fully informed regarding some other trusts that have been keeping under cover and resting in fancied security.

Attention is therefore called to an advertisement which appeared in the New York Sun on Sunday, March 14, 1909. It is herewith, and marked "Exhibit A." Its title is "Shoe leather, etc." Upon reading this advertisement one will be struck by the beautiful picture which is there drawn of the United States Leather Company and its holding company, the Central Leather Company. Then look at the other picture of the Chicago packers. They are the "new element" that "has appeared recently in the sole-leather business of the country, which is giving the tanning fraternity in general as well as the shoe manufacturers much more concern than was felt when the United States Leather Company and the Central Leather Company were formed."

This trust's sympathy, as voiced in that advertisement, appears to be solely for the "independent tanners and shoemakers of the country." We now begin to realize where all the various kinds of literature with which the Senate has been deluged had its origin—with this leather trust. But read the advertisement. No other bit of literature uttered or printed in connection with the present revision of the tariff will afford so much amusement.

This advertisement naturally directs attention to Moody's Manual, that repository of an infinite amount of data concerning trusts. The United States Leather Company, as will be seen by its balance sheet, is a trust of the first magnitude. In 1907 its hides and leather were valued at $11,457,273; its bark at tanneries, $2,386,316; its tannery plants, etc., $6,924,693; stocks of other companies, $58,172,225; bonds of other companies, $6,216,888. The figures of the foregoing items have varied from year to year during 1903–1907; but here is one item which did not change so much as a penny during that five-year period: "Good will, etc., $62,832,300." The "good will" may be valuable, and so, too, may the "etc.," but the consumers of leather goods of all kinds have no assurance on that point. So far as they know, this $62,832,300 may represent no value whatever, in which case the consuming public carry this deadwood for that trust; and this, too, out of a total capitalization of $167,496,705, or over 60 per cent "good will" on a capitalization but a trifle over $100,000,000 of real property. When we look closely at the amounts of the common stock and that of "good will" it looks very much as if the promoters of this trust, when with a stroke of the pen they created this common stock, looked over their figures and saw that they had no asset to match it. They then just as easily created an asset and named it "good will, etc.," and high finance scored another triumph. This conclusion will come unbidden to the minds of men of even ordinary perspicacity. The stocks and bonds of "other companies" owned by the United States Leather Company, which aggregate $64,389,313—its dividends and other receipts from these sources amounting to $2,098,710—tell a plain tale of many independent leather and tannery concerns swallowed by the octopus.

But this trust has in turn been swallowed by another trust, the Central Leather Company, incorporated under the laws of New Jersey April 12, 1905. It was organized "to acquire the stock of the United States Leather Company," and it was so successful that during the three

years ending December 31, 1907, its income account showed that it had received in dividends from the stock of the United States Leather Company $7,739,434. The combined balance sheet of subsidiary companies of the Central Leather Company, as of December 31, 1907, shows stated assets of $16,172,732. It was a lusty young trust that swallowed "subsidiary companies" with assets of such amount. But that was only an appetizer. Soon it became real hungry, and at one gulp it swallowed the United States Leather Company and its subsidiary companies, with assets totaling, in 1905, $151,165,739.

But all the interesting features of this hide and leather trust can not be referred to in this letter. This much has been cited for the purpose of awakening a public interest in a trust that wants free hides and is not particular how it gets them. Its appeal to public prejudice against another trust for the purpose of robbing the farmers and cattlemen of the country of upward of $20,000,000 annually is a strange reminder that the pot will call the kettle black.

For the full details of these two interwoven trusts, their subsidiary companies, income accounts, balance sheets, etc., see the accompanying statement from Moody's Manual for 1908, marked "Exhibit C."

But these are not the only trusts in the hide and leather business. There is the American Hide and Leather Company, incorporated under the laws of New Jersey, May 3, 1899. As will be seen, this trust "was formed for the purpose of carrying on the business of tanning and currying of all kinds; also to manufacture, cure, and trade in skins, hides, and leather of all kinds, to slaughter animals, and pack, preserve, buy, sell, and deal in the constituent parts of animals and animal products; also to purchase, hold, and dispose of the stocks and securities of other corporations. The company has power to carry on its business in any State of the United States and in foreign countries." From the foregoing statement it seems to have all the earmarks of a trust, even those of a "packer trust." It tells of having "acquired by absolute conveyance the lands, tanneries, factories, stock in trade, and good will of the business formerly belonging to 21 different concerns."

The company states that its "total capacity is 5,000,000 calfskins and about 2,750,000 hides per annum, this being approximately 75 per cent of the entire annual production of upper leather in the United States." Truly, this corporation is prepared to do business on a trust scale.

Its authorized capital stock, $17,500,000 and $17,500,000 7 per cent cumulative preferred stock. The latter is preferred as to assets as well as dividends. There had been issued and was outstanding June 30, 1907, $11,274,100 common and $12,548,300 preferred, par $100. On the preferred stock there had accumulated and remained unpaid, up to and including May, 1908, dividends amounting to 56 per cent.

The United States Leather Company employs hide buyers in foreign countries and handles 75 per cent of all the Argentine hides imported.

I trust that all of these matters may receive your attention and that of your fellow Senators.

Very respectfully. J. L. KENNEDY.

Hon. FRANCIS E. WARREN,
United States Senate.

[EXHIBIT A.]

SOLE LEATHER—ITS LOCAL HABITATION IN THE "SWAMP" DISTRICT.

[From the New York Sun, Sunday, March 14, 1909.]

Changes that have taken place—The formation of the The United States Leather Company and Central Leather Company—Present agitation of tanners and shoe manufacturers throughout the country for repeal of the duty on hides.

All New Yorkers know the "Swamp." It is the locality in the neighborhood of Gold and Ferry streets and has been for well nigh two centuries the seat of the leather trade of New York. Prior to the Revolutionary war tanneries were operated in this locality, and when afterwards these were removed to the rural districts where supplies of oak and hemlock bark could readily be obtained the Swamp became the locality where leather from these tanneries was received and sold. The leather merchants of the Swamp have always stood high in this commercial community. Their credit was not surpassed by that of any other trade. The names of Schultz, Thorne, Andrews, Hoyt, Lapham, Healy, Fraser, Bullard, Fayerweather, Palen, Buckley, and many others were well and favorably known in commercial circles of New York. Moreover, while competition existed among them, there was always a friendly and fraternal feeling in the trade, and their personal relations with each other were cordial.

As time went on changes naturally occurred, because even so conservative a body of men as were these old "swampers" could not resist modern commercial tendencies. Individual firms gradually grew larger, and as time went on the business, particularly in sole leather, became gradually concentrated in fewer and larger concerns and finally resulted in the amalgamation of more than twenty of them in one company or "trust," as it is called, under the name of The United States Leather Company.

Many regrets were expressed at the disappearance of the time-honored names of these old firms of tanners and dealers in sole leather. A good deal of apprehension was felt as to what might be the outcome of this concentration of the business and the adoption, in such an old-fashioned trade, of the modern system of combination. The so-called "outside" tanners throughout the country, and the shoe manufacturers as well, were at first in some trepidation lest it might be detrimental to their welfare, but as time went on this did not appear to be the case. The competition of the new company did not appear to be of a destructive character, and the shoe manufacturers found that there had been nothing in the nature of a monopoly created in the production and sale of leather, and in fact the effect had been to give a desirable degree of steadiness to the whole industry. Consequently it appears there has been surprisingly little complaint from other tanners or from shoe manufacturers during the fifteen years of the existence of this leather company, which has, in fact, never enjoyed anything like a monopoly of the business.

The Central Leather Company was formed in the year 1905 and is now the holder of nearly all the stock—to be exact, about 95 per cent—of the United States Leather Company, as well as other tanning interests of importance. As was the case with the formation of the United States Leather Company, it has been found that the Central Leather Company has had no injurious effect on the industry at large, but through its better and more efficient organization is able to conduct its business in a more advantageous manner.

Its organization can hardly be said yet to be quite complete, inasmuch as a small number of stockholders of the United States Leather Company—about 5 per cent of the whole—dissented from the plan for its amalgamation with the Central Leather Company, and took the matter into the courts of New Jersey, from which State both companies derived their charters. The decision of the courts has thus far been against the dissentists and in favor of the merger of the two companies. An appeal, however, was taken to the court of errors and argued last June, but that court has not as yet rendered its decision in the case. It is said that if the decision should affirm the judgment of the lower court and permit the merger of the two companies, the same would be distinctly advantageous to the interests of both companies in that it would permit a more perfect organization for conducting the business. It would be very desirable on this ground. But, on the other hand, if the decision should be adverse and the merger denied, the Central Leather Company could still advantageously conduct its business in the same manner as heretofore, and without any loss of its property.

A new element has appeared recently in the sole-leather business of the country which is giving the tanning fraternity in general, as well as the shoe manufacturers, much more concern than was felt when the United States Leather Company or Central Leather Company was organized. This is the entrance into the tanning business, upon a large scale, of the great Chicago packers—Armour, Swift, and Morris. They control the production of a large part of the sole-leather hides of the country, and, aided by the existing 15 per cent duty on foreign hides, it is feared they may be able to secure a greater monopoly in the tanning of leather than they have already in the production of beef.

It is this which has given added stimulus recently to the desire, long felt by the tanners and shoe manufacturers of the country, for the removal of the duty on hides. This demand is confined to no one section of the country, but the tanners and shoe manufacturers in every part of the country are united upon the question and are urging upon Congress, with great earnestness, the repeal of the duty on hides. They confidently expect that this duty will be repealed, because it seems to them impossible that Congress could be so unjust as to sacrifice the interests of the independent tanners and shoe manufacturers of the country by continuing a duty which would amount to special legislation to give a monopoly of the industry to the Chicago packers.

EXHIBIT B.

CENTRAL LEATHER ASSOCIATION.

[From Moody's Manual.]

Incorporated April 12, 1905, in New Jersey, to acquire the stock of the United States Leather Company, on terms shown in Moody's Manual for 1905, page 1637. Up to December, 1907, the company had acquired $62,084,200 of the $62,882,300 common and $57,807,200 of the $62,282,300 preferred stock of the United States Leather Company. Since organization the Central Leather Company has acquired the entire capital stocks (except qualifying shares) of the N. R. Allen's Sons Company, Union Tanning Company, Harrington & Co., Queen City Tannery, and Wallin Leather Company.

The United States Leather Company and its constituent companies, among other property, own the following securities:

All of the $34,450,600 capital stock (except 27 shares held by directors) of the Elk Tanning Company.

All of the $10,000,000 capital stock (except 24 shares held by directors) and all of the $9,000,000 outstanding 4 per cent gold debentures, due January, 1930, of the Central Pennsylvania Lumber Company.

All of the $1,212,100 outstanding capital stock (except 65 shares held by directors) and all of the $937,000 outstanding first fifty-year 5 per cent bonds of the Susquehanna and New York Railroad Company.

All of the $125,000 capital stock (except 60 shares held by directors) of the Long Valley Coal Company.

All of the $150,000 capital stock (except 39 shares held by directors) of the Leetonia Valley Railway Company.

All of the $500,000 capital stock (except 65 shares held by directors) of the Tionesta Valley Railway Company.

All of the $300,000 capital stock (except 25 shares held by directors) of the David Moffat Company.

The shareholders of the Central Leather Company on January 16, 1907, voted in favor of taking over the business and assets of the United States Leather Company, by means of a merger under the statutes of New Jersey, the securities of the latter unexchanged to receive the same treatment as under the reorganization plan of December 17, 1904. The lower court in October, 1907, vacated the injunction preventing the consolidation, the agreement therefor to be modified to permit United States Leather preferred stockholders to demand their share of surplus of latter, representing dividends, in lieu of new common stock offered under plan, but the merger has been enjoined pending appeal.

Capital stock.—Authorized, $40,000,000 common and $40,000,000 7 per cent, cumulative, preferred; outstanding, $38,409,952 common and $31,061,500 preferred; par $100. The preferred stock is preferred as to dividends at the rate of 7 per cent per annum, cumulative, from July 1, 1905, and, in case of liquidation, as to principal and unpaid accumulated dividends at par. It has equal voting power with the common. It is provided in the certificate of incorporation that "From time to time the preferred stock and the common stock of the corporations may each or both be increased according to law, as now or hereafter enacted, provided always, that at no time shall the preferred stock be increased without the assent of the holders of at least two-thirds in interest of the then outstanding preferred stock of the corporation." Dividends at the rate of 7 per cent per annum have been paid, quarterly, January on the preferred from October, 1905, to April, 1908, inclusive; checks mailed. No dividends have as yet been paid on the common shares. Transfer agent, Equitable Trust Company, New York. Registrar, New York Trust Company, New York. Listed on New York Stock Exchange.

Bonded debt.—Thirty-four million five hundred and twenty-six thousand six hundred dollars first-lien gold fives, dated April 1, 1905, due April 1, 1925; not callable; interest April 1 and October 1, at Central Trust Company, New York, trustee and registrar of bonds; coupon, $1,000; principal may be registered. The trust deed provides for fully registered bonds. Principal and interest are payable in gold, without deduction for any tax. Authorized, $45,000,000. Secured by a first mortgage on all the assets and lands acquired and, pending their physical acquisition, by the shares of the United States Leather Company acquired and all the stock and bonds of its subsidiaries, including $9,000,000 4 per cent gold debentures and the $10,000,000 stock of the Central Pennsylvania Lumber Company. The indenture provides that if the capital stock of the United States Leather Company shall be increased there shall be forthwith pledged and delivered to the trustee certificates for at least such part of said increased capital stock as shall be proportionate to the part of the entire capital stock of said company previously held thereunder. Listed on New York Stock Exchange.

Four million six hundred and eighty thousand dollars United States Leather Company debenture gold sinking-fund sixes, dated May 1, 1893, due May 1, 1913; interest May 1 and November 1, at National Park Bank, New York, and in Boston; denomination, $1,000. Central Trust Company, of New York, is trustee and registrar of debentures. A sufficient amount of the securities, stock, and bonds of the Central Leather Company is reserved for the retirement and redemption of these debentures. Authorized, $10,000,000. On or before August 1 in each

year the company is required to purchase and deliver to the trustee for cancellation an amount of debentures equal to 4 per cent of the total debentures issued, provided they can be purchased at less than 110 and interest. If debentures can not be purchased at the price stated, the company is required to deposit with the trustee such amount as may be necessary to fully satisfy the sinking fund, and the trustee will then draw by lot and pay for debentures so drawn at 110 and interest on the November 1 following. No bond or debenture other than those of this issue and no mortgage can at any time be made, assumed, or guaranteed by the United States Leather Company, or by any company a majority of the stock of which is owned or controlled by that company, without the consent of the holders of 80 per cent of the preferred stock of the United States Leather Company then outstanding. These debentures are to be specifically and equally secured pro rata with all other bonds or debentures secured by any mortgage hereafter issued. Listed on New York Stock Exchange.

Income account, Central Leather Company.

	Year ended December 31, 1907.	Year ended December 31, 1906.	Period ended December 31, 1905.
Earnings:			
Dividends on preferred shares of United States Leather Co. owned	[a] $3,463,825	[b] $3,432,126	[c] $843,483
Interest and discount	31,688	47,681	
Net earnings of subsidiary companies	663,717	821,274	[c] 362,308
Total	4,159,230	4,301,081	1,205,791
Expenditures:			
Interest and discount			18,480
Organization and general expenses	113,196	299,875	122,248
Discount and commissions, bond sales		25,000	68,945
Bond interest	1,724,410	1,692,591	359,785
Dividends paid on preferred stock	2,170,285	2,126,317	518,297
Total	4,007,891	4,143,783	1,087,753
Undivided profits	151,339	157,298	118,038

[a] Dividends on 578,072 shares (on 2,722 shares only three dividends of $1.50 per share each were received; on 160 shares only two dividends were received, and on 10 shares only one dividend was received).

[b] Dividends on 575,180 shares (on 11,000 shares only three dividends of $1.50 per share each were received, and on 818 shares only two dividends were received).

[c] Dividends on 562,322 shares. During the period ended December 31, 1905, the company received only one dividend on its holdings in the United States Leather Company (these having been acquired July 2, 1905), and it had the benefit of the operations and earnings of the subsidiary companies for an average period of but one hundred and twenty days prior to December 31, 1905; consequently the statement of earnings and expenditures cover but a fractional part of the year.

Balance sheet of Central Leather Company, December 31.

	1907.	1906.
Assets:		
Stock of United States Leather Co	$96,217,152	$95,679,570
Investments in subsidiary companies, including stocks	7,028,774	6,845,056
Bills receivable, Union Tanning Co	4,332,000	2,705,000
Accounts receivable, Union Tanning Co	376,006	2,826,351
Current accounts receivable	150,058	10,684
Accrued interest	35,905	15,529
Cash	51,381	370,918
Total	108,191,276	108,453,107

Balance sheet of Central Leather Company, December 31—Continued.

	1907.	1906.
Liabilities:		
Preferred stock	$31,061,500	$30,878,900
Common stock	38,409,952	38,161,570
Bonds outstanding	34,526,600	34,382,000
Bills payable	3,750,000	4,730,737
Accounts payable	16,549	24,565
Undivided profits	426,675	275,335
Total	108,191,276	108,453,107

Combined balance sheet of subsidiary companies of Central Leather Company as of December 31.

[Not including the United States Leather Company holdings.]

	1907.	1906.
Assets:		
Plants	$4,747,058	$4,406,318
Bark and timber lands, other real estate, and railroad property	1,352,385	1,286,973
Hides, leather, bark, extract, lumber, supplies, materials, and sundry personal property	7,488,977	8,234,523
Unexpired insurance	20,319	18,380
Bills receivable	701,953	420,452
Accounts receivable	1,765,088	1,993,835
Cash	96,952	99,210
Total	16,172,732	16,459,722
Liabilities:		
Capital stock	1,000,000	1,000,000
Surplus	4,661,475	4,661,475
Due Century Leather Co	4,708,005	5,531,351
Mortgage due by Wallin Leather Co	9,000	9,000
Bills payable	3,571,000	2,905,000
Accounts payable	1,357,329	1,097,622
Accrued interest	135,478	71,693
Undivided profits	730,445	1,183,581
Total	16,172,732	16,459,722

Income account, United States Leather Company, year ended December 31, 1907.

Profits on sales	$706,349
Profits on manufacturing, including tanning and extract	583,546
Commissions and cartage on purchases and sales for others, including subsidiary companies' products	2,067,891
Interest on advances to other companies and other loans and investments	673,113
Dividends and other receipts and income from subsidiary companies	2,098,710
Miscellaneous earnings and income	23,892
Total receipts	6,153,501
Deduct:	
Interest on debentures	288,800
Interest on bills and accounts payable	730,241
Administrative expenses	456,830
Taxes, insurance, legal and other expenses	254,501
Dividends paid	3,736,938
Total deductions	5,467,310
Surplus for year	686,191

General balance sheet of United States Leather Company December 31.

	1907.	1906.	1905.	1904.	1903.
Assets:					
Cash	$4,318,178	$2,505,159	$2,230,337	$2,420,667	$2,049,952
Accounts receivable	9,979,789	10,761,665	9,562,293	5,757,802	6,048,313
Bills receivable	3,569,624	1,277,339	243,507	549,117	140,897
Doubtful debtors, valued at	4,245	8,832	4,125	10,735	5,926
Other debtors		1,070,602	984,196	141,906	144,548
Hides and leather	11,457,273	15,269,784	12,716,388	9,814,944	10,328,626
Bark at tanneries	2,386,316	1,677,962	1,871,105	2,262,860	1,915,974
Sundry personal property	402,108	654,627	590,839	595,987	401,355
Advances to other companies	508,703	1,920,921	1,923,030	343,696	1,117,558
Drawbacks		464,492	508,223	559,485	457,718
Railroad mortgage	100,000	100,000	100,000	100,000	100,000
Tannery plants, etc	6,924,693	6,847,706	6,756,081	6,696,069	6,313,295
Stocks of other companies [a]	58,172,225	56,760,181	52,823,603	50,515,443	49,142,022
Bonds of other companies	6,216,888	6,879,888	8,404,888	9,914,888	10,000,000
Real estate interests	501,116	490,235	232,625		
Treasury stock				100,000	100,000
Good will, etc	62,832,300	62,832,300	62,832,300	62,832,300	62,832,300
Unexpired insurance	123,247	106,293	71,576	56,570	67,260
Total	167,496,705	169,627,987	161,855,116	152,672,469	151,165,739
Liabilities:					
Common stock	62,882,300	62,882,300	62,882,300	62,882,300	62,882,300
Preferred stock	62,282,300	62,282,300	62,282,300	62,282,300	62,282,300
Bonds	4,680,000	5,080,000	5,280,000	5,230,000	5,280,000
Accrued interest, etc	52,470	67,960	59,550	26,254	17,549
Current accounts	342,461	609,585	659,949	285,620	334,394
Exchange not due	453,582	2,072,904	1,516,822	1,098,298	1,075,224
Bills payable	12,785,019	13,080,000	7,900,000	2,100,000	1,450,000
Reserve for fire insurance	419,172	639,729	632,666	517,685	309,587
Surplus	23,599,401	22,913,209	20,641,529	18,200,011	17,534,385
Total	167,496,705	169,627,987	161,855,116	152,672,469	151,165,739

[a] Represented by hides and leather, tannery plants, extract works, glue plants, sawmills, lumber, railroads, bark, timber, and lands in fee, bark contracts, bark at tanneries, personal property, cash, and sundry debtors.

Officers: E. C. Hoyt, president; A. A. Healy, first vice-president; W. G. Garritt, second vice-president; J. J. Lapham, third vice-president; D. P. Squire, fourth vice-president; J. R. Plum, treasurer; F. E. Knapp, secretary.

Directors: A. A. Healy, Frank Healy, E. C. Hoyt, L. C. Krauthoff, J. J. Lapham, L. H. Lapham, R. E. Paine, P. A. Valentine, New York; J. Ogden Armour, H. P. Darlington, Chicago; C. W. Allen, Nathan Allen, Kenosha, Wis.; G. W. Childs, Ridgeway, Pa.; S. P. Davidge, Short Hills, N. J.; W. G. Garritt, Boston; Eugene Horton, Middletown, N. Y.; Van A. Wallin, Grand Rapids, Mich.

Annual meeting, fourth Wednesday in February, at Jersey City, N. J. Offices, 52 William street and 26 Ferry street, New York. Corporate office, 15 Exchange place, Jersey City, N. J.

[EXHIBIT C.]

AMERICAN HIDE AND LEATHER COMPANY.

[From Moody's Manual.]

Incorporated May 3, 1899, in New Jersey; amended certificate of incorporation filed August 28, 1899. The duration of the corporation is perpetual. Company was formed for the purpose of carrying on the business of tanning and currying of all kinds; also to manufacture, cure, and trade in skins, hides, and leathers of all kinds, to slaughter animals, and pack, preserve, buy, sell, and deal in the constituent parts of animals and animal products; also to purchase, hold, and dispose of the stocks and securities of other corporations. The company has power to carry on its business in any State of the United States and in foreign countries. The company acquired, by absolute conveyance, the lands, tanneries, factories, plants, stock in trade, and good will of the business formerly belonging to 21 different concerns, a list of which is given in Moody's Manual for 1902, page 1305. Also owns the entire $50,000 stock, except 50 shares necessary to qualify directors of the Pennsylvania Hide and Leather Company, a Pennsylvania corporation, which has acquired the title, free from incumbrance, except as to the mortgage securing the bonds of the American Hide and Leather Company, to the plants formerly the property of Alley Brothers & Co., and B. F. Thompson & Co., at Curwensville, Osceola, and West Hickory, Pa.

The business carried on by the company is principally the manufacture of upper leathers of all kinds for shoes, including cowhide, leathers, black and Russia calfskins, enameled and patent leathers, which constitute over 90 per cent of the output of the company. Various grades of fine leather used in the manufacture of other articles and also a small amount of sole leather are manufactured. Total capacity is 5,000,000 calfskins and about 2,750,000 hides per annum, this being approximately 75 per cent of the entire annual production of upper leather in the United States.

Capital stock.—Authorized, $17,500,000 common and $17,500,000 7 per cent cumulative preferred, the latter being preferred as to assets as well as to dividends. Outstanding, $11,274,100 common and $12,548,300 preferred; par, $100. Dividends on preferred of 1 per cent each were paid February 15, May 15, and August 15, 1905; none since. Accumulated dividends to and including May, 1908, amount to 56 per cent. Transfer office, Trust Company of America, New York. Registrar, Farmers' Loan and Trust Company, New York. Listed on New York Stock Exchange.

Bonded debt.—Seven million one hundred and ninety-four thousand dollars first sinking fund gold sixes, dated September 1, 1899; due September 1, 1919; subject to call at 115 and interest on any interest date on thirty days' notice; interest March and September 1 at Trust Company of America, New York, trustees. Coupon, $1,000; principal may be registered Mortgage provides that the company shall, on September 1 of each year, beginning 1900, deposit with the trustee $172,500, which sum shall be sufficient to purchase $150,000 face value of bonds at not exceeding 115 and interest. If none or less than $150,000 of bonds can be purchased at or below 115 and interest, the sinking-fund payments are to be invested and held for further security of the bonds. Authorized, $10,000,000, of which $9,000,000 were issued for the general purposes of the company and $1,000,000 reserved to be issued for new properties acquired and subjected to the mortgage. Of the $9,000,000 of bonds issued, $7,194,000 are outstanding, $475,000 are in the treasury of the company, and $1,331,000 have been purchased and are now held by the trustee in the sinking fund. The first mortgage, dated September 20, 1899, securing these bonds, covers and is a first lien on the real estate, tanneries, factories, and plants, and the supplemental mortgage dated October 2, 1899, covers all skins, hides, leather, tan bark, stock in trade, and other supplies and raw materials; goods manufactured, unmanufactured, or in process of manufacture, horses, wagons, harness, furniture, duplicates, patents, and all other chattels and personal property owned by the company, or which it may hereafter acquire, and situated in or upon any of the company's properties in Massachusetts, Michigan, and West Virginia. Listed on New York Stock Exchange.

Income account of American Hide and Leather Company and its subsidiaries, years ending June 30.

	1906-7.	1905-6.	1904-5.	1903-4.	1902-3.
Trading profits	$1,151,048	$1,178,487	$1,374,432	$1,169,325	$853,424
Profit on bonds purchased for sinking fund, etc	14,332	3,297	31,755	35,276	32,690
Total	1,165,380	1,181,784	1,406,187	1,204,601	886,114
Deduct:					
Replacements, renewals, and repairs	159,055	167,505	190,291	196,865	200,377
Bad debts and reserve for doubtful debts	8,423	21,843	18,691	26,784	9,988
Interest on bonded debts	511,500	511,500	511,500	511,500	511,500
Other interest	66,066	86,547	29,708	28,180	65,182
Sinking fund appropriations	150,000	150,000	150,000	150,000	150,000
Dividends on preferred stock		[a] 125,483	[b] 250,966		
Miscellaneous					28,701
Total	895,044	1,062,879	1,151,245	913,330	965,748
Balance surplus for year	270,336	118,905	254,942	291,272	[c] 79,634

[a] 1 per cent includes $130,000 paid August 15, 1905, on $13,000,000 preferred stock, less $4,517 received on preferred stock held in trust.
[b] 2 per cent.
[c] Deficit.

Balance sheet of American Hide and Leather Company and its subsidiaries June 30.

	1907.	1906.	1905.	1904.	1903.
Assets:					
Cost of properties	[a] $26,479,073	[a] $26,483,282	[a] $26,458,528	[a] $26,466,346	[a] $26,441,072
Sinking fund	[b] 26,790	1,122,155	908,287	702,496	503,907
Materials and supplies	6,305,659	7,254,060	6,566,627	6,346,021	6,746,516
Bills and accounts receivable	[c] 2,170,705	[c] 2,099,857	[c] 2,018,878	[c] 1,536,828	[c] 1,764,413
Cash	298,337	284,591	388,112	286,526	428,451
Miscellaneous	76,773	78,243	81,423	108,313	115,009
Total	35,357,337	37,322,188	36,421,855	35,446,530	35,999,368
Liabilities:					
Preferred stock	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000
Common stock	11,500,000	11,500,000	11,500,000	11,500,000	11,500,000
First-mortgage 6 per cent bonds	[d] 7,194,000	[d] 8,525,000	[d] 8,525,000	[d] 8,525,000	[d] 8,525,000
Current liabilities	823,209	1,963,031	1,395,471	880,878	1,923,579
Sinking fund, first-mortgage bonds	1,357,790	1,122,155	908,287	702,497	503,907
Surplus	1,482,338	1,212,002	1,093,097	838,155	546,882
Total	35,357,337	37,322,188	36,421,855	35,446,530	35,999,368

[a] Including 4,517 shares preferred and 2,259 shares common stock of the American Hide and Leather Company held in trust.
[b] Includes only cash and accrued interest (bonds in sinking fund, held by trustees, not treated as an asset as in former years).
[c] After deducting reserves for doubtful debts and discounts.
[d] After deducting each year $475,000 held in treasury and in 1907, $1,331,000 held in sinking fund. Bonds held in sinking fund are included in 1906 and in earlier years.

Officers: T. W. Hall, president; T. S. Haight, first vice-president; Aaron Hecht, second vice-president, New York; F. L. Roenitz, third vice-president, Chicago; C. P. Hall, fourth vice-president, Boston; G. A. Hill, secretary and treasurer, New York.

Executive committee: T. S. Haight, T. W. Hall, Aaron Hecht, New York; C. P. Hall, Boston; F. L. Roenitz, Chicago.

Directors: The foregoing and C. A. de Gersdorff, T. J. Ryan, Henry Seligman, Frederick Strauss, New York; C. H. Buswell, M. Robson, C. W. Tidd, E. L. White, Boston; James Skinner, Woburn, Mass.

Annual meeting first Wednesday in September at Jersey City, N. J.; main offices, 92 Cliff street, New York, and 17 East street, Boston.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Rhode Island?

Mr. WARREN. I do.

Mr. ALDRICH. If the Senator will pardon me for another interruption, that bill, with this 15 per cent hide-tariff provision in it, was reported to the Senate on the 4th day of May, 1897.

Mr. WARREN. It was.

Mr. ALDRICH. And it passed Congress finally on the 24th of July.

Mr. WARREN. And the free-hide text-book, here in my hand, is dated April 14.

Mr. ALDRICH. Therefore the provision to which the Senator refers was before Congress and the public for two months and a half before final action.

Mr. WARREN. That is true. Now, they have one other proposition. Mr. President, I have not the gift of language, nor the terms to properly characterize it—asinine is not severe enough to cover the case. But I refer to their attempt to prove that, because the price of cattle goes up and down, if the price of hides does not go up and down at just the same time and dates, we, as farmers, do not get any benefit. That is one of their prize arguments. While the hide, according to their statement, amounts to one-tenth of the value of the animal (according to the facts, one-fifth would be nearer), it has no more to do with the difference in values of different parts of the animal at different times than has the rising of the new moon or the changes in the moon. The fact that you separate the hides from the meat, and have a market for hides and a market for meat, separate and apart from each other, is no more strange than that the price of lard does not always go up and down with that of pork, nor that the price of tallow does not go below that of beefsteak, nor that wool and mutton do not go together, up or down, in value.

Another thing I find here—and it is a funny sort of a fact—is that nearly all the official documents of the boot and shoe and tanning aggregation are printed on yellow paper. I will make no comment on it, but simply state the fact. One of the distinguished men selected by that great industry to represent them undertakes to prove that because a steer sells for $5.40 a hundred and hides bring 9 cents a pound, the packer makes the difference between $5.40 and $9 a hundred. The innocence of that man is surprising. I can not think that it is innocence; I think it is intent; and I can not help thinking thus, for there is scarcely a person who does not know that when you buy a steer at live weight upon the hoof you pay per pound what he weighs on the hoof, and when you slaughter a steer or other animal from 35 to 50 per cent of the total weight of the carcass is thrown away; and when you count net results, you must receive per pound nearly double the price for the net usable portion of the animal in order to get even your cost back. Then the cost of doing business and the profit must be added to that——

Mr. BEVERIDGE. Mr. President, will the Senator let me ask him a question?

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Indiana?

Mr. WARREN. I do.

Mr. BEVERIDGE. I did not quite catch what proportion of the animal the Senator from Wyoming said the hide represented.

Mr. WARREN. About a fifth or sixth usually. It depends on circumstances. It might run to a tenth sometimes, because the conditions vary.

Mr. BEVERIDGE. Does the Senator mean to say a fifth or 5 per cent—which one? Here is a statement, if I may interrupt the Senator——

Mr. WARREN. I care nothing about the statement. The statement that a hide is 5 per cent of the weight of an animal is too ridiculous even to listen to.

The PRESIDING OFFICER. The Senator from Wyoming declines to yield.

Mr. WARREN. No; I yield.

Mr. BEVERIDGE. I do not understand that the Senator declines to yield.

I refer the Senator, as to the divisions of the animal, to the statement made before the House committee by the representative of the packers. Before I read that statement, however, I want to call the Senator's attention to the fact that a moment ago, when we were discussing the benefit which the packers would receive from this, the Senator said, I believe, that no packers had appeared. As a matter of fact, I know he does not want that statement to go uncorrected. I find that the packers did appear through a Mr. Urion, who makes a very long statement, the purport of which is to prove that the duty on hides should be retained. He says that he has had twenty-two years' experience——

Mr. WARREN. Before the Senator goes through that, let me say I made that statement, as applied to the Senate, and I repeat it now. On the other hand, I am sure no one volunteered to appear and ask for anything for the packers before the House committee.

Mr. BEVERIDGE. Nobody knows, so far as that is concerned——

Mr. WARREN. The Senate is considering this subject now.

Mr. BEVERIDGE. The Senate is considering the subject; that is quite true, but I do not know whether the packers or anybody else appeared before the Finance Committee. I have no quarrel with the committee about that, but, as a matter of fact, we do not know who appeared or who did not appear. I understood the Senator to say that the packers had not appeared before the American Congress on this subject, and I find that they did.

Mr. WARREN. I did not use the term "American Congress."

Mr. BEVERIDGE. That is true; but the American Congress is passing this bill, and I assume that the Senator had reference to the American Congress.

Mr. WARREN. The Senate is just now considering it.

Mr. BEVERIDGE. That is true. We do not know who did appear or who did not appear before the Senate committee. Mr. Urion, who stated that he represented the packers and who said that he had about twenty-one or twenty-two years' experience in this business, said:

> The average value of a hide or the average of a hide is about 6 per cent of the total of an animal. As you know, the edible parts of a steer are only about 57 per cent. The other 43 per cent is made up of the hide, the tallow, and what we classify as "offal."

I want to stop there to say to the Senator that a moment ago he said it was 45 to 50 per cent of the animal; but that is not correct——

> Of the 43 per cent, the hide is the most valuable part; and, as I say, about 6 per cent.

That is, of the 43 per cent outside of the meat the hide is the most valuable part; and, as he says, it is about 6 per cent of the value. That would seem, if the representative of the packers is correct——

Mr. WARREN. I would rather go by actual transactions than by any quotations that the Senator from Indiana may read, even from a book of testimony taken by a committee of the House. I was talking about weight, while the Senator is talking about value. I have in my hand here——

Mr. BEVERIDGE. Just a moment. I am informed that there were three men representing the packers who were before the Senate Committee on Finance on the subject of a duty on hides.

Mr. ALDRICH. There was no man, so far as I know, representing the packers who appeared before the Finance Committee.

Mr. BEVERIDGE. Perhaps I was incorrect in the statement——

Mr. ALDRICH. There were parties who appeared before the committee urging the imposition of a duty on hides; but they all denied that they represented anybody except the cattle raisers and the farmers. They stated that distinctly.

Mr. PENROSE. They were from Texas, as I remember, and had no connection with the packers.

Mr. ALDRICH. They were all from Texas and Kansas.

Mr. BEVERIDGE. That straightens that matter out. We now know who did appear before the committee according to their own representations. It is true that the representative of the packers, frankly admitting himself to be such, did appear before the House committee. He made a very long statement and was subjected to a very long examination, in which he urged the retention of the duty. I merely meant to call the attention of the Senator to the fact that his division of the animal was not in accordance with the division made by this representative, who has been twenty-one or twenty-two years, as I think, in that business. I do not myself know which is correct.

Mr. WARREN. He might have been twenty-one years in the office or at the slaughtering pens. I have pulled the rope too many times and have seen too many cattle butchered to be unsure of my ground as to proportionate weight of hide to balance of carcass. I want to say another thing.

Mr. BEVERIDGE. Just a moment——

Mr. CARTER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Montana?

Mr. WARREN. Yes.

Mr. CARTER. Mr. President, the Senator from Wyoming is speaking, I imagine, of the proportion of value, whereas the Senator from Indiana is doubtless speaking of the proportion of weight.

Mr. WARREN. The Senator from Indiana first asked me about the weight; but now perhaps he is asking about value, and when he has finished I am going to give him the value by actual figures.

Mr. CARTER. The proportion of weight is between 6 and 7½ per cent, and the proportion of value is about 16 to 17 per cent.

Mr. BEVERIDGE. Mr. Urion uses the word "value;" and I will say to the Senator——

Mr. CARTER. He has simply confused the items.

Mr. WARREN. Mr. "Uriah" must not be Uriah Heep. I do not have the honor of knowing him, but I must defend him.

Mr. BEVERIDGE. He is not Mr. Heep. He is Mr. Urion. The Senator himself is not a better butcher or a more experienced butcher than Mr. Urion.

Mr. WARREN. I did not claim to be.

Mr. BEVERIDGE. The Senator said he had assisted in butchering too many cattle not to be familiar with the matter. I want to say that Mr. Urion is not an office man at all. According to his own statement, he has been a practical man, engaged in this business for years.

Mr. WARREN. I have no doubt. I will examine his testimony and remark upon it to-morrow. It is now so late I will not be able to finish to-day. I have in my hand five bills or invoices taken helter-skelter out of the bundle, and they average the return paid upon stock killed as to the percentage of weight and value of hides. These are actual transactions, returns made in the usual form long before this matter was up. They are the cash-account returns made to a man who shipped the stock. Here is one dated February 5, 1909:

[Duplicate.]

CHICAGO LIVE STOCK EXCHANGE,
OFFICE OF THE SECRETARY,
Union Stack Yards, Chicago, Ill.

Statement of the disposition of one carcass of beef and its offal, pronounced fit for food by the state veterinarian of the State of Illinois, at a post-mortem examination thereof, held in the city of Chicago on February 5, 1909.

Owner, Smith Brothers' Commission Company. Sold to J. Wall. Tag No. 377.

CREDIT.

By four quarters of beef, 745 pounds, $6.50		$48.42
By butter stock, 40 pounds, $7.65		3.06
By steer hide, 86 pounds, $12.30		10.58
By head, tongue, etc		.60
		62.66

DEBIT.

To slaughtering, dressing, chilling, and delivering carcass	$0.97	
To feed and petty incidental expenses	1.06	
		2.03
Net proceeds		60.63

Owner, J. H. Hall, Breckenridge, Mo.

Is the Senator satisfied with that? If not, I have four or five more that will show equally well. There is no question as to the proportions.

I desire to say that this matter of a duty on hides is no new imposition upon the boot and shoe makers. Even the Southern Confederacy during the life of their government levied a duty of 10 per cent ad valorem on hides; and I want to say now, before I pass over it, that that 10 per cent which they then levied and the 10 per cent, the 5 per cent, or the 4 per cent levied by our Government at various times covered all the hides and skins of cattle, including kips and calves; and also those of goats and sheep, and even with a duty of 4 per cent ad valorem the amount of protection enjoyed and the amount of revenue received exceeded that which we received later under a 15 per cent duty on hides of cattle alone as the law was administered.

The following was the hide and leather rate of duty under the Confederate States tariff of May 21, 1861:

Shoes and boots of all kinds, worn by men, women, or children, of whatever material composed, not otherwise provided for, 15 per cent ad valorem.

Saddlery of all kinds, not otherwise provided for, 15 per cent ad valorem.

Furs, hatters', dressed or undressed, not on the skin; furs, undressed, when on the skin, 10 per cent ad valorem.

Leather, tanned, band, sole, and upper of all kinds, not otherwise provided for, 10 per cent ad valorem.

Articles used in dyeing and tanning, 5 per cent ad valorem.

Live animals, free.

Articles not enumerated (among them hides), 10 per cent ad valorem.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Rhode Island?

Mr. WARREN. Certainly.

Mr. ALDRICH. It is evident the Senator from Wyoming will not be able to complete his remarks to-day. It is my purpose to ask for an adjournment about 5 o'clock, and I have some unimportant amendments, largely of a verbal nature, making changes in phraseology, which I should like to offer and dispose of, if agreeable to the Senator, before we adjourn.

Mr. WARREN. Very well. That is perfectly agreeable to me, and I yield to the Senator.

Mr. ALDRICH. Mr. President, in paragraph 411 the amendment of the committee inserting the words "cardboard and bristol board" were inserted in the wrong line. They were inserted in line 26, after the word "press." They should have been inserted before the word "thirty-five," in line 25. The change will make no difference in the rate.

The PRESIDING OFFICER. The Secretary will state the amendment.

Mr. ALDRICH. The words "cardboard and bristol board" should come before the word "thirty-five," in line 25, after the word "designs."

The SECRETARY. On page 165, line 26, strike out the words "cardboard and bristol board," and insert the same in line 25, after the word "designs," so as to read "such designs, cardboard, and bristol board, 35 per cent," and a comma.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. I move to insert a new paragraph, to be known as "paragraph 194½."

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 68, it is proposed to add as a new paragraph, to be known as "paragraph 194½," the following:

194½. Nippers and pliers of all kinds, except blacksmith tongs, surgical and dental instruments or parts thereof, wholly or partly manufactured, 10 cents per pound and 40 per cent ad valorem.

Mr. CULBERSON. What is the exception in that amendment? I ask that the Secretary read it again, and I ask the Senator from Rhode Island why the exception is made.

The PRESIDING OFFICER. The Secretary will again state the amendment.

The Secretary again read the amendment.

Mr. ALDRICH. Blacksmith tongs are of much lower cost, and there is no reason why they should not bear the old rate.

Mr. CULBERSON. What is the old rate?

Mr. ALDRICH. Forty-five per cent ad valorem.

Mr. CULBERSON. I move to amend by striking out the exception.

Mr. ALDRICH. That will be to increase the rate on those articles named in the exception.

Mr. CULBERSON. No; it will leave it——

Mr. ALDRICH. I think the Senator is mistaken.

Mr. CULBERSON. It would leave the rate at 45 per cent.

Mr. ALDRICH. That is exactly what the exception does; it leaves those articles at 45 per cent.

Mr. CULBERSON. The amendment provides a duty of 10 cents a pound, I understand.

Mr. ALDRICH. No; 10 cents per pound and 40 per cent ad valorem.

Mr. CULBERSON. I misunderstood. I withdraw the amendment I suggested.

Mr. BURKETT. What was done with the amendment? Was some part of it stricken out?

Mr. ALDRICH. No; nothing was stricken out.

Mr. BURKETT. Does it include dentists' tools?

Mr. ALDRICH. Oh, no; it excepts them.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ALDRICH. Mr. President, three or four amendments in relation to the duties upon band and saw steel strips have been heretofore adopted. Upon examination, the committee find they are not properly classified. They are in three or four paragraphs; and in order to make the rates symmetrical, it is necessary to make some changes in the phraseology. There will be no changes in the rates; but in order that steel strips for circular saws and for other saws may be properly classified, it is necessary to concentrate them into one paragraph.

I will ask to have these amendments adopted, and if there is any objection to them hereafter, I shall be very glad to take them up and consider them again. They make practically no increase. The rates are substantially the same. I will call attention to the paragraphs as I go on.

The PRESIDING OFFICER. Without objection, the paragraphs will be reconsidered.

Mr. ALDRICH. Paragraph 122 is the first one. I will send the amendment to the desk.

The SECRETARY. On page 35, in lieu of the matter stricken out in lines 10 to 14, insert a semicolon and the following:

bands and strips of steel, exceeding 12 feet in length, not specially provided for in this section, 35 per cent ad valorem.

Mr. ALDRICH. That is a reduction below the rate in the portion stricken out.

Mr. STONE. How much of an increase is that over the House rate?

Mr. ALDRICH. It is not an increase at all. It is a reduction.

Mr. STONE. A reduction?

Mr. ALDRICH. In place of the rate fixed by the House bill, 1½ cents per pound and 20 per cent ad valorem, and 3 cents per pound and 20 per cent ad valorem, it is a flat rate of 35 per cent ad valorem, which is much less than the House rate.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Rhode Island.

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. The next amendment is in paragraph 129.

The SECRETARY. On page 37, line 20, strike out the words "steel band, circular, and other saw plates wholly or partially manufactured."

Mr. ALDRICH. That was an amendment that was inserted before. I move to strike it out.

The amendment was agreed to.

The SECRETARY. In the same paragraph, line 24, strike out the word "strips;" after the word "plates" restore the word "and" and strike out the word "of."

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. The next is paragraph 134.

The SECRETARY. On page 40, paragraph 134, in lines 14 and 15, strike out the words "twenty-five one-thousandths of 1 inch thick, or thinner, made from wire or tempered steel-wire rods," and insert in lieu thereof the following: "Not thicker than No. 15 wire gauge and not exceeding 5 inches in width."

The amendment was agreed to.

The SECRETARY. In line 19 amend the committee amendment by striking out the word "forty" and inserting in lieu thereof "thirty-five."

Mr. ALDRICH. That is a reduction of 5 per cent.

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. The next is in paragraph 136, on page 44, line 10.

The SECRETARY. On page 44, paragraph 136, line 10, strike out the word "saw" at the end of the line, so that it will read, "for steel plates."

Mr. CULBERSON. What paragraph is that?

Mr. ALDRICH. One hundred and thirty-six.

Mr. CULBERSON. What is the object of the amendment?

Mr. ALDRICH. The object is that the duties upon saw plates and steel bands and strips shall all be consolidated in one paragraph. The rates are reduced, and there is no change of any other character, except changing the phraseology.

Mr. RAYNER. I should like to ask the Senator from Rhode Island a question. He seems to be getting through all these amendments by his own vote. Nobody is paying any attention to them. I should like to ask him whether he has raised the duty on steel rails by any of these amendments?

Mr. ALDRICH. Not yet.

Mr. RAYNER. But the committee has reported such an amendment, and when he reaches it I want to know it.

Mr. ALDRICH. The committee have not reported any such amendment.

Mr. RAYNER. There has been an amendment put on the desks raising the duty on steel rails.

Mr. ALDRICH. I do not know where it came from. It certainly was not reported by the committee. I think the Senator from Maryland is probably mistaken.

Mr. RAYNER. No. I saw the amendment raising the duty on steel rails.

Mr. ALDRICH. It is not from the committee.

Mr. RAYNER. It is by some one——

Mr. ALDRICH. Or from any member of the committee.

Mr. RAYNER. It is by some one on a very intimate footing with them.

Mr. BEVERIDGE. I merely want to call the attention of the Senator from Maryland to the fact, which I take for granted, that I have understood the Senator from Rhode Island to say that all these amendments were unimportant and not substantial, and that they were more in the way of correcting phraseology, consolidating paragraphs, and did not materially affect the duties. I assume that is the reason why the Senate was not paying very much attention.

I myself do not understand just exactly what these amendments mean, but I have taken the word of the Senator from Rhode Island for it that these are unimportant little amendments which are necessary to straighten out the phraseology.

Mr. ALDRICH. I would not say they are unimportant. It is important that they should be correlated, so that there shall not be a rate upon steel bands and saw plates in one paragraph different from what it is in another.

Mr. BEVERIDGE. I think the Senate took the Senator's statement to mean that none of these amendments, important as they may be in the shaping of the bill, made any important or substantial change in the rates.

Mr. RAYNER. Is there any increase in duties by any of these amendments?

Mr. ALDRICH. My understanding of the effect of them is that the duties are lower in the paragraphs as they now stand than they were in the paragraphs as they were agreed to by the Senate several days ago.

Mr. BACON. Will the Senator permit me to make an inquiry? Of course the method by which the committee has proceeded is one recognized by all as entitling it to precedence in the making of amendments to these various schedules before individual amendments were offered. I desire to know from the Senator, before the metal schedule is entirely laid aside, if the same opportunity will be afforded to us as to this schedule that has been afforded in other schedules to offer any amendments we wish?

Mr. ALDRICH. I have heretofore stated to the Senate on many occasions that if there is any amendment to any of these paragraphs which the Senate thinks important, I shall have no objection to reconsideration. Of course I do not desire to have it reconsidered simply for the purpose of reopening the discussion.

Mr. BACON. I have some amendments which I wish to offer to the metal schedule. I do not wish to discuss them at all, because we have had very full discussion of that schedule.

Mr. ALDRICH. I certainly would object to reopening paragraphs that have already been discussed and on which the Senate has voted, except by a vote of the Senate for reconsideration; but in other cases——

Mr. BACON. As I understand, when the Senator has passed over all the paragraphs and offered such amendments as he desires, the bill will all have been passed upon.

Mr. ALDRICH. Oh, well, I do not intend to have them reopened by my consent, if the Senate has voted upon them, unless there is some very good reason. I certainly do not expect to go back and go over these paragraphs. They will all be open in the Senate of course.

Mr. OVERMAN. Is it understood we can offer amendments in Committee of the Whole after we finish the schedules?

Mr. ALDRICH. Not on matters already voted on.

Mr. OVERMAN. I understand the usual rule is that after a measure gets through the Committee of the Whole, we can introduce amendments to any schedule.

Mr. ALDRICH. Not to amendments already agreed to or paragraphs agreed to.

Mr. OVERMAN. Not those agreed to, but any subsequent amendments.

Mr. ALDRICH. After a paragraph is agreed to, there is only one way to amend it, and that is to move a reconsideration.

Mr. OVERMAN. Who controls that? Can not any Senator move to reconsider?

Mr. ALDRICH. The Senate controls it.

Mr. OVERMAN. Ah, the Senate controls it!

Mr. BEVERIDGE. Mr. President, I think this is a pretty important thing. This particular and precise point was discussed at the beginning of the consideration of the bill, and it will be found in the RECORD that after the discussion it was agreed by the Senator from Rhode Island that after the committee amendments had been adopted—of course there can be no amendments to those amendments, but to that part of the paragraph which is not a committee amendment itself—any Senator might offer any amendment.

Mr. ALDRICH. Without reconsideration?

Mr. BEVERIDGE. In Committee of the Whole.

Mr. ALDRICH. Without reconsideration?

Mr. BEVERIDGE. Not to a committee amendment, without reconsideration, but to a paragraph.

Mr. ALDRICH. These paragraphs have all been agreed to by the Senate, and we have discussed this question a dozen times.

Mr. BEVERIDGE. You will find it in the RECORD, as I have stated.

Mr. ALDRICH. It is not of record as the Senator states. It is not parliamentary law, and is not in accordance with the rules of the Senate. These paragraphs which have been agreed

to can only be amended now by reconsideration, and that reconsideration is in the power of the Senate.

Mr. BEVERIDGE. Further, in addition, I merely suggest my recollection——

Mr. ALDRICH. The Senator can find no agreement of that kind anywhere.

Mr. BEVERIDGE. That is a matter of research. The Senator himself did say, in connection with this discussion, that at any time, even on his amendments, that if any Senator wanted to introduce an amendment, he would consent to its reconsideration for that purpose. The Senator said that to two or three of us.

Mr. ALDRICH. The Senate and Senators will find me always willing to ask for the reconsideration of any of these paragraphs if it is the desire of Senators to move amendments to them, and if those amendments are of substance and have not already been voted on by the Senate. There is no doubt about that. But that we are going to reopen these paragraphs, or any of them, simply for the purpose of prolonging this indefinite and interminable discussion, I do not consent for one moment; and I shall not consent to it except by a vote of the Senate.

Mr. BEVERIDGE. I think the Senator is absolutely right about that, not only as a matter of procedure, but as a matter of propriety.

Mr. CRAWFORD, Mr. CUMMINS, and others addressed the Chair.

The PRESIDING OFFICER. Has the Senator from Rhode Island yielded the floor?

Mr. ALDRICH. I have some other amendments to offer when I have an opportunity.

Mr. CRAWFORD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Rhode Island yield to the Senator from South Dakota?

Mr. ALDRICH. Certainly.

Mr. CRAWFORD. It is just for information. My understanding was just as the Senator from Rhode Island has stated, except—these rules are all new to me, and I want to ascertain—that the bill is being considered in Committee of the Whole, and I understood that when it was being considered by the Senate as the Senate amendments could be offered to it without reconsideration.

Mr. ALDRICH. Undoubtedly. The Senator is quite right about it. The whole bill will be open to amendment for its whole length and breadth when it gets into the Senate.

Mr. CULBERSON. I do not know that there is any necessity for making this statement, but I prefer to make it at all events. I call the attention of the Senator from Rhode Island to the fact that I have an amendment to paragraph 123, which has not as yet been disposed of.

Mr. ALDRICH. That has been passed over. It has never been acted upon, and it has never been agreed to.

Mr. CULBERSON. I want that distinctly understood. It relates to cotton ties, and is in the metal schedule.

Mr. ALDRICH. It has been passed over and never has been voted upon or agreed to in the Senate.

Mr. OVERMAN. What became of paragraph 100? Has that been passed over or accepted? It is the plate-glass schedule.

Mr. ALDRICH. It has been passed upon and agreed to.

Mr. OVERMAN. You think that is not subject to amendment?

Mr. ALDRICH. Not except on reconsideration of the paragraph.

Mr. RAYNER. Who controls the question of reconsideration?

Mr. ALDRICH. The Senate itself, and nobody else.

Mr. RAYNER. Who controls the Senate?

Mr. ALDRICH. I think the Senator from Maryland does as much in that direction as anybody I know of.

Mr. BACON. The Senator will remember that when we reached the woolen schedule, we acted upon it; and it was recognized that we could offer amendments, and they were offered and voted upon. I quite agree with the Senator. I myself would not be disposed to offer any amendments with a view to their discussion, especially as to matters which have already been discussed. I wish at sometime to offer some amendments to the metal schedule. I should prefer to do it in committee. If it can not be done in committee, I will do it in the Senate.

Mr. ALDRICH. The next is on page 47, line 25.

Mr. CUMMINS. Mr. President——

The VICE-PRESIDENT. Does the Senator from Rhode Island yield to the Senator from Iowa?

Mr. ALDRICH. Certainly.

Mr. CUMMINS. It is pretty difficult to get attention over here in the amen corner. I should like to ask the chairman of the committee whether at this time he has called attention to paragraph 119? I was out of the Chamber.

Mr. ALDRICH. One hundred and nineteen?

Mr. CUMMINS. Whether he has at this time sought to do anything with paragraph 119?

Mr. ALDRICH. I have not.

Mr. CUMMINS. May I ask what is the understanding of the Senator with regard to that paragraph?

Mr. ALDRICH. My understanding was that we had agreed to the paragraph as it stood, but with a further understanding that it might be taken up either by the committee or by the Senator for further amendment, if that was desired.

Mr. CUMMINS. My recollection is, while it is agreed to, the Senator from Rhode Island said that at some time it might be open, so that we could consider an amendment I want to offer. I think I would rather offer it in the committee than in the Senate.

Mr. ALDRICH. There will be no objection at all to that. In fact, the committee are themselves considering a different classification of structural iron provided for in that paragraph, and I will confer with the Senator from Iowa at some time that is convenient to him, and we will take up the matter with a view to considering the amendments to that paragraph.

The PRESIDING OFFICER. The Chair will inquire of the Senator from Rhode Island whether he has any further amendments to paragraph 136?

Mr. ALDRICH. I have not.

The PRESIDING OFFICER. Without objection, the paragraph as amended is agreed to.

Mr. ALDRICH. I offer the amendment I send to the desk.

The SECRETARY. On page 47, paragraph 150, line 25, it is now proposed to disagree to the amendment which strikes out "one-half" and inserts "three-fourths."

Mr. ALDRICH. That restores——

Mr. RAYNER. Is not three-fourths more than one-half?

Mr. ALDRICH. That is my understanding. I hope the Senator from Maryland agrees with me.

Mr. RAYNER. I do. Yet you said that you were reducing these duties.

Mr. ALDRICH. That is what we are proposing to do here.

Mr. RAYNER. What duty are you putting on?

Mr. ALDRICH. We are reducing it from one and three-fourths to one and one-half.

Mr. RAYNER. The Secretary read "one-half." I thought he said from one-half to three-fourths. We are going through these matters so fast that no one on this side understands what is going on, and the Senator from Rhode Island can get through anything he wants.

The PRESIDING OFFICER. The Secretary will again state the amendment.

The SECRETARY. It is proposed to disagree to the committee amendment striking out "one-half" and inserting "three-fourths."

Mr. RAYNER. Nobody can tell how that stands.

Mr. CULBERSON. Let it be read as it will read if amended.

Mr. RAYNER. That is what we want. How will it stand?

The SECRETARY. So that it will read:

If less than three-eighths of an inch and not less than one-fourth of an inch in diameter, 1½ cents per pound.

Mr. CULBERSON. As against 1¾ cents.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ALDRICH. I offer another amendment.

The SECRETARY. On page 48, in line 2, after the word "pound" insert a colon and the following:

Provided, That no tubes, pipes, flues, or stays, made of charcoal iron, shall pay a less rate of duty than 1½ cents per pound.

Mr. ALDRICH. That provides that charcoal iron shall pay the rate of 1½ cents which we have just fixed; that all this iron and steel tube when made of charcoal iron shall pay the rate of 1½ cents.

Mr. RAYNER. The Senator from Missouri says to me he does not understand that.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Rhode Island.

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. I move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 5 minutes p. m.) the Senate adjourned until Monday, June 21, 1909, at 10 o'clock a. m.