By Mr. LAFFERTY: A bill (H. R. 8439) for the relief of George Owens, John J. Bradley, William M. Godfrey, Rudolph G. Ebert, Herschel Tupes, William H. Sage, Charles L. Tostevin, Alta B. Spaulding, and Grace E. Lewis; to the Committee on the Public Lands.

By Mr. LEGARE: A bill (H. R. 8440) for the relief of Mary E. Stelling, sole heir at law of A. S. Freitas, deceased; to the Committee on War Claims.

By Mr. McGILLICUDDY: A bill (H. R. 8441) granting an increase of pension to Benjamin F. Swasey; to the Committee on Invalid Pensions.

By Mr. McKINLEY: A bill (H. R. 8442) granting an increase of pension to John L. Carr; to the Committee on Invalid Pensions.

By Mr. MORSE of Wisconsin: A bill (H. R. 8443) granting a pension to James Hatton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8444) granting a pension to Nicholas Duteau; to the Committee on Invalid Pensions.

By Mr. MOSS of Indiana: A bill (H. R. 8445) granting an increase of pension to James H. Cosby; to the Committee on Invalid Pensions.

By Mr. NORRIS: A bill (H. R. 8446) granting an increase of pension to William Hopton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8447) granting an increase of pension to Jacob S. Robey; to the Committee on Invalid Pensions.

By Mr. O'SHAUNESSY: A bill (H. R. 8448) granting an increase of pension to Bridget M. Fauls; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8449) granting an increase of pension to Mrs. Joshua C. Drown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8450) granting an increase of pension to Sylvester C. Baker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8451) granting a pension to Sarah Adams; to the Committee on Pensions.

Also, a bill (H. R. 8452) granting a pension to John Edward Mullen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8453) for the relief of Edward Swainor; to the Committee on Military Affairs.

Also, a bill (H. R. 8454) for the relief of Thomas F. Conlan; to the Committee on Military Affairs.

By Mr. RAUCH: A bill (H. R. 8455) granting an increase of pension to Fletcher N. Wilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8456) granting an increase of pension to John W. Reynolds; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8457) granting an increase of pension to Abner H. Shaffer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8458) granting an increase of pension to John H. Hicks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8459) providing for the presentation of a medal of honor to William M. De Hart; to the Committee on Military Affairs.

By Mr. RUSSELL: A bill (H. R. 8460) granting a pension to Edward Rhoades; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8461) granting a pension to Margaret Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8462) granting a pension to Jack Pettis; to the Committee on Pensions.

Also, a bill (H. R. 8463) granting an increase of pension to Gilman A. H. Simmons; to the Committee on Invalid Pensions.

By Mr. SPEER: A bill (H. R. 8464) granting a pension to Mary Ellen Clark; to the Committee on Invalid Pensions.

By Mr. STEPHENS of California: A bill (H. R. 8465) granting an increase of pension to Ransom L. Harris; to the Committee on Invalid Pensions.

By Mr. STONE: A bill (H. R. 8466) granting an increase of pension to George Moblo, alias George Cook; to the Committee on Invalid Pensions.

By Mr. WILLIS: A bill (H. R. 8467) for the relief of the legal representatives of William E. Tarbutton, deceased; to the Committee on War Claims.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. ALEXANDER: Papers and affidavits for the relief of William A. Pullen, of Breckenridge, Mo.; to the Committee on Invalid Pensions.

By Mr. ALLEN: Resolutions of the Cincinnati Antituberculosis League, favoring a committee on public health; to the Committee on Expenditures in the Interior Department.

By Mr. ASHBROOK: Petition of Wilcox Hardware Co. and 10 other merchants of Uhrichsville, Ohio, in opposition to the parcels post; to the Committee on the Post Office and Post Roads.

By Mr. AYRES: Petition of M. T. O'Connor, of Bronx, N. Y., favoring parcels post; to the Committee on the Post Office and Post Roads.

By Mr. BURNETT: Resolutions of Building Trades Council of Birmingham, Ala., against action of California detectives in kidnaping a labor leader from Indianapolis, Ind.; to the Committee on the Judiciary.

By Mr. ESTOPINAL: Resolutions of the New Orleans Cotton Exchange, asking that cotton bagging and ties be placed on the free list; to the Committee on Ways and Means.

By Mr. FARR: Petitions of Yostville (Pa.) Local, No. 262, Patriotic Order Sons of America, favoring the illiteracy test to restrict immigration; and Washington Camp, No. 583, of Old Forge, Pa., and Washington Camp, No. 200, of Carbondale, Pa., Patriotic Order Sons of America, urging the passage of H. R. 15413, relating to immigration; to the Committee on Immigration and Naturalization.

By Mr. FOCHT: Papers in support of House bill 8104, for the relief of Michael Broadbeck, of Three Springs, Pa., and House bill 8103, for the relief of James H. Maclay, of Middlesprings, Pa.; to the Committee on Invalid Pensions.

By Mr. FULLER: Petition of committee of wholesale grocers of New York City, favoring the reduction of the duty on sugar; to the Committee on Ways and Means.

By Mr. GARDNER of Massachusetts: Resolutions of Parnell Club, of Roxbury, Mass., against arbitration with Great Britain; to the Committee on Foreign Affairs.

By Mr. HANNA: Petitions of J. O. Sullivan, of Mandan, N. Dak., against parcels post, and of citizens of Douglass, N. Dak., favoring the passage of House bill 2651, known as the Hanna bill; to the Committee on the Post Office and Post Roads.

Also, petition of various citizens of Ransom County, N. Dak., against Canadian reciprocity; to the Committee on Ways and Means.

By Mr. KINKEAD of New Jersey: Petition of Local Union No. 45, of Jersey City, N. J., of the International Association of Bridge and Structural Iron Workers, protesting against the kidnaping of J. J. McNamara from the State of Indiana; to the Committee on the Judiciary.

By Mr. McHENRY: Petition of Camp No. 503, Fishing Creek, Pa., Patriotic Order Sons of America, favoring the illiteracy test; to the Committee on Immigration and Naturalization.

By Mr. O'SHAUNESSY: Petition of Frank J. McCaw Co., automobilists, favoring the Federal automobile registration bill eliminating the necessity of registering in the various States when touring; to the Committee on the Judiciary.

By Mr. WILLIS: Affidavits to accompany House bill for the relief of the legal representatives of William E. Tarbutton, deceased; to the Committee on War Claims.

Also, papers to accompany House bill 7243, for the relief of Show Hinebaugh, and House bill 5946, granting an increase of pension to Alexander F. McConnell; to the Committee on Invalid Pensions.

## HOUSE OF REPRESENTATIVES.

WEDNESDAY, *May 3, 1911.*

The House met at 11 o'clock a. m.

Prayer by the Chaplain, Rev. Henry N. Couden, D. D., as follows:

Oh, Lord, our God and our Father, whose heart opens with love in response to those who seek Thee diligently, lift us by Thy grace into that purer atmosphere where spirit with spirit can meet and purify and ennoble the soul, that we may work in Thee, through Thee, with Thee, for the uplift of humanity, and, as we pass on toward the home of the soul, leave the world a little better for those who shall come after us. For Thine is the kingdom, and the power, and the glory forever. Amen.

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

### ORDER OF BUSINESS.

The SPEAKER. The Chair will state that this is Calendar Wednesday, and the rules provide especially that nothing shall be done after the Speaker's table is cleared except to call the committees.

Mr. UNDERWOOD. Mr. Speaker, I think there are a few bills on the Public Calendar that would be in order to-day, but they do not contain matters of importance. I would like to

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get through with the debate on the free-list bill. I understand that under the rules we have the right to dispense with the calendar by a two-thirds vote.

The SPEAKER. It takes a two-thirds vote.

Mr. UNDERWOOD. I therefore move that the call of the calendar under the order of to-day be dispensed with, so that we may proceed with the bill H. R. 4413—the free-list bill.

The question was taken, and (two-thirds having voted in favor thereof) the motion was agreed to.

NAVY CONTRACTS FOR SHOES.

Mr. PADGETT. Mr. Speaker, by direction of the Committee on Naval Affairs, I beg to report back a privileged resolution, H. Res. 134, with amendments, and to move the adoption of the resolution as amended.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution as proposed to be amended.

Mr. MANN. Mr. Speaker, I reserve a point of order, and I call attention to the fact that the resolution has not been properly reported by the Clerk.

Mr. FITZGERALD. Let the report be read.

Mr. PADGETT. The Clerk has read the resolution as amended. He should have read first the resolution as originally introduced.

The SPEAKER. Does the gentleman from Illinois reserve the point of order?

Mr. MANN. I would like to have the resolution reported.

The SPEAKER. The Clerk will read the original resolution.

The Clerk read as follows:

House resolution 134.

*Resolved*, That the Secretary of the Navy be, and he is hereby, requested, if not incompatible with the public interest, to send to the House of Representatives full information, as follows, with regard to certain statements made by Hon. ROBERT E. DIFENDERFER, of Pennsylvania, in the House on April 25, 1911:

First. What proportion of the contracts for Navy shoes during the fiscal years 1909, 1910, and 1911 were awarded to the firm of Hermann & Co.?

Second. What are the names of the individuals or firms who have secured contracts for Navy shoes in the fiscal years 1909, 1910, and 1911? What was the amount of each contract?

Third. Have any competitors been blacklisted or disqualified from bidding on any Navy shoe contract in the fiscal years 1909, 1910, and 1911? If so, what were the names of those competitors and what was the cause of their disqualification?

Fourth. What proportion of the Navy shoe contracts in the fiscal years 1909, 1910, and 1911 were awarded to the lowest bidders?

Fifth. How many bidders were there for the last Navy shoe contracts?

The SPEAKER. The Clerk will read the report.

Mr. MANN. Mr. Speaker, I withdraw the point of order on the resolution.

The Clerk read as follows (H. Rept. No. 16):

The Committee on Naval Affairs, to whom was referred House resolution No. 134, regarding Navy contracts for shoes, having had the same under consideration, report the same back with the following amendments, and, as amended, recommend that the resolution do pass.

Page 1, line 2: Strike out the word "requested" and in lieu thereof insert the word "directed."

Page 1, lines 2 and 3: Strike out the words "if not incompatible with public interest."

Page 1, line 4: After the word "follows" strike out the comma and insert a colon.

Page 1, lines 4, 5, and 6: Strike out the words "with regard to certain statements made by Hon. ROBERT E. DIFENDERFER, of Pennsylvania, in the House on April 25, 1911."

Page 1, line 11: After the word "individuals" insert a comma, strike out the word "or," and after the word "firms" insert "or corporations."

Page 1, line 14: After the word "eleven" strike out the question mark; strike out the words "what was" and insert in lieu thereof the word "and"; after the word "amount" insert the words "and quantity."

Page 2, line 1: Strike out the word "have" and insert in lieu thereof the word "were"; strike out the word "been."

Page 2, line 11: Strike out the word "last."

Page 2, line 12: After the word "contracts" strike out the question mark and add the following: "for the fiscal years 1909, 1910, and 1911. Furnish complete list of all bidders and of all original and amended bids."

Add the following clause as a new section:

"Sixth. If the bids were invited by advertisement, furnish copies of the advertisements."

Mr. PADGETT. Mr. Speaker, I move the adoption of the resolution as amended.

The SPEAKER. The gentleman from Tennessee moves the adoption of the resolution as amended. Is a separate vote demanded on any of the amendments? If not, they will be voted for engross.

The amendments were agreed to.

The resolution as amended was agreed to.

SITTING OF COMMITTEE DURING RECESS.

Mr. PADGETT. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution which I send to the Clerk's desk.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House resolution 149.

*Resolved*, That the Committee on Naval Affairs have authority to sit during the sessions of the House and during the recess of the Sixty-second Congress.

The SPEAKER. Is there objection?

Mr. MANN. Mr. Speaker, reserving the right to object, I would like to inquire whether there is any necessity for the passage of that resolution for this special session?

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

The SPEAKER. The gentleman from Illinois [Mr. MANN] makes the point of order that there is no quorum present. The Chair will count.

Mr. MANN. Well, Mr. Speaker, having called attention to the fact, I withdraw the point of order, but I suggest that if a lot of committees start to sit during the meetings of the House at this session of Congress there will be great difficulty in obtaining a quorum here unless there is important business to transact.

Mr. PADGETT. I would state to the gentleman that we had called a meeting of the committee yesterday for 11 o'clock, and the House met at that hour and is now meeting at that hour, and it interferes; and also we have two very important bills which we wish to consider—bills of a legislative character—not with a view to putting them on the calendar at this session, but with a view to considering them, maturing them, and having them ready so as to get them out of the way for the next session, when we shall have a congestion of business growing out of the consideration of the appropriation bills.

Mr. MANN. Very well. I withdraw the objection.

The SPEAKER. Is there objection?

There was no objection, and the resolution was agreed to.

THE TARIFF.

Mr. UNDERWOOD. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of H. R. 4413, a bill to put agricultural implements and other articles on the free list.

The motion was agreed to.

The House accordingly resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the free-list bill (H. R. 4413), with Mr. ALEXANDER in the chair.

The bill was read by title.

Mr. DALZELL. Mr. Chairman, I yield one hour to the gentleman from Massachusetts [Mr. WEEKS]. [Applause.]

The CHAIRMAN. The gentleman from Massachusetts [Mr. WEEKS] is recognized for one hour.

Mr. WEEKS. Mr. Chairman, it is not my practice to engage in general debate on subjects which do not come from committees of which I am a member, the reason for this being that it is presumed that members of committees who have heard the testimony on any particular subject are more competent to discuss the question intelligently and to present the facts than are other Members of the House; and, secondly, because I have some reservations as to the value of general debate on any subject at any time.

But this is not like the ordinary case, because this bill comes to the House without any consideration. The Ways and Means Committee did not consider it; its majority did not consider it; its minority did not consider it; and the utter lack of definiteness of the bill would indicate that the person who drew it did not give it much consideration. But it is brought in here with the statement that the majority have had a caucus and decided to pass it as it is, and they ask the country, and especially the trades affected by it, to accept that action without any change or the taking of any evidence.

It is my purpose to try to add something to the testimony which has been submitted in the addresses already made, relating especially to the shoe and leather industry.

I am not unmindful, too, of the fact that it has already been well discussed on this floor; that the gentleman from Illinois [Mr. MANN], the minority leader, punched the paragraph relating to this subject full of holes, and that my colleagues from Massachusetts [Mr. GARDNER and Mr. HARRIS] have discussed it ably and well, and that others have referred to it. But I think I may add some information on this subject, which is my only excuse for taking time to-day.

I am going to try to demonstrate, first, that there is no demand for this legislation, at least from the shoe and leather trade; second, that there is no trust or monopoly or combination connected with these industries in any way or shape; and, third, I am going to try to show why American shoes sell in Europe, why English and European shoes sell to a limited ex-

tent in this country, and why there is a falling off in sales of American shoes in Europe, and why there is an increase in the sales of foreign-made shoes in this country, which latter increase, I believe, is going to continue.

The gentleman from Kentucky [Mr. JAMES] stated the other day, and the same statement was made by the chairman of the Ways and Means Committee, that the shoe manufacturers of this country appeared before the Ways and Means Committee two years ago with the proposition that if hides were put on the free list they would be willing to stand for free shoes and free leather. A careful investigation of the testimony adduced before that committee indicates that one witness made such a statement, and a few days afterwards, when he had had a chance to revise his figures, he returned, asked for a hearing, and stated that such a statement could not be applied to the trade at large. On two other occasions two other shoe manufacturers have made similar statements. There are 1,322 shoe manufacturers in this country, and of those 1,322, 3 have at some time and in some form made the statement which has been repeated here by the gentlemen on the other side to whom I have referred, and these expressions are the only evidence before the House on which to base this proposed action. The three men referred to are large shoe manufacturers in Massachusetts. One of them is William L. Douglas, former governor of the State, a Democrat, and a very enterprising shoe manufacturer. Gov. Douglas is reported to have said some years ago, at about the time he was a candidate for governor, that if he had free hides he could reduce the price of his shoes, and that he believed that with free hides shoes could be put on the free list and that we could compete with the world. I think he has not been heard to repeat that statement for six years. I have no doubt he was honest in his statement that he believed he could reduce the price of his shoes if hides were put on the free list; but other conditions bearing on this trade have changed since those days, and instead of Gov. Douglas reducing the price of his shoes since hides were put on the free list, he has increased the price of his shoes 25 or 50 cents a pair, and it has been necessary to do so to maintain the same value in the shoe. I do not ascribe to him anything in the way of bad faith on that account, because I think I can show before I finish that there are good reasons for this increase.

One other manufacturer who made a similar statement was Mr. Charles H. Jones, who came here two years ago representing the shoe manufacturers of New England, and I think he represented the shoe manufacturers of the whole country. He is the president of the Commonwealth Shoe Co. and is an able man and a successful manufacturer. Mr. Jones stated before the Ways and Means Committee originally—and he was the man to whom I have referred—that he believed if hides were put on the free list shoes could also be put on the free list, but later he revised his information on that subject, and not only revised his statement made to the Ways and Means Committee, but wrote a letter, of which I submit a copy:

WASHINGTON, D. C., *July 20, 1909.*

Hon. WILLIAM H. TAFT.
*President, The White House, Washington, D. C.*

Mr. PRESIDENT: The schedule in relation to hides, leather, and shoes in the Payne bill is as follows:

| Hides. | Band and sole leather. | Dressed upper leather. | Shoes. |
|---|---|---|---|
| | *Per cent.* | *Per cent.* | *Per cent.* |
| Free | 5 | 15 | 15 |
| Reduction from Dingley rate | 75 | 25 | 40 |

The above rates seemed to the trade to offer sufficient protection except on sole leather, which most tanners believe should have been 10 per cent, a reduction of 50 per cent from Dingley rates. It is the feeling of most of the trade that the percentage of reduction shown by the Payne bill should be all that it needed to entitle us to free hides. If, however, as suggested by you this afternoon, still further concessions will be necessary in order to overcome the opposition from certain Senators, I believe, as I stated to you that with—

| Hides free we can stand: | Per cent. |
|---|---|
| Band and sole leather | 5 |
| Dressed upper leather | 10 |
| Shoes | 10 |

Many tanners will claim that these rates are too low to afford sufficient protection, but after careful examination of all facts and circumstances I can not believe any branch of the industry would be seriously crippled at these rates—certainly if the shoemakers can get along with 10 per cent protection, the makers of leather can do the same. I hope, however, it will not be necessary to cut the rates as hard as this, as it could do the people no good. With free hides, domestic competition will do again what it has always done before in leather and shoes, namely, keep the price to the consumer at the lowest point consistent with the smallest living profit. The rates of the Payne bill with sole leather changed to 7½ per cent or 10 per cent would be satisfactory to practically the whole trade and would show important reductions for the benefit of the consumer.

If you decide, however, that only on the basis of the further reduction mentioned, can free hides be secured, all branches of our trade will cheerfully undertake to meet whatever competition may come to us, and our chances of success will be far better with free hides and low duties on leather and shoes than they could be under the hide tax and the present higher rates on manufactured material.

Very respectfully,

CHAS. H. JONES.

There was no political bearing in Mr. Jones's statement, for, although he is a near Democrat, he came here representing the shoe industry, and that was his final judgment after considering the question with all classes of shoe manufacturers.

The third man who did say at that time, and has repeated his statement recently, that he could compete with the world in shoes, and that they could safely be put on the free list, is Mr. A. E. Little, of Lynn, Mass., the manufacturer of the Sorosis shoe. Mr. Little stated two years ago in a telegram to the present Speaker of this House that he believed that could be done, and Mr. W. L. Little, his partner, I believe, has recently made a similar statement. Mr. W. L. Little says:

I would not care to speak for the other manufacturers, but as far as the A. E. Little Co. is concerned, our business would not be hurt with shoes on the free list. A. E. Little telegraphed CHAMP CLARK that the A. E. Little Co. sold many shoes abroad at higher prices than they brought in this country, and that as the Sorosis shoes were meeting the competition of the English manufacturers on their home ground, there evidently was nothing to fear from the English manufacturers, if they brought their shoes to this country.

A Lynn, Mass., paper, commenting on that statement, says:

The A. E. Little Co. are entitled to the courage of their ignorance. But are they sincere? Or is it only a grab at free daily newspaper advertising and a desire to pose as the one American manufacturer who has shoe producing down to a really economic basis?

Mr. Little knew perfectly well that such an utterance would be grabbed up by every free-trade newspaper as a justification of the attack on the shoe duty. He knew it when he made a similar utterance two years ago. He does not know that free shoes will not injure him. He will not find one manufacturer in a hundred to agree with him, among the well-informed, who know the great advances made in foreign shoemaking and styles within the past two years, not only in England, but in France, Germany, Austria, and even Japan. Is there not a pretty good chance that the other 99 are right and he is wrong? And with the scales as evenly balanced as they are now, and foreign shoe imports increasing tenfold in six months, as they did in the last half of 1910, is it not fool's philosophy to propose to give the foreigners the equivalent of 10 cents on the dollar advantage?

It can certainly do Mr. Little no good for the Government to thus offer a 10 per cent inducement to foreign shoemakers; the almost united opinion of other manufacturers is that it will do the whole American shoe trade much harm; in common courtesy and fairness to his fellowcraftsmen, could he not have restrained himself from this rush to the center of the stage?

I am informed that the A. E. Little shoe is marketed abroad in an unusual way. The manufacturers of that shoe are among the few American manufacturers who sell shoes abroad, and they are among the limited number who sell shoes through their own stores.

There is a shoe manufacturer in Great Britain named Clark who runs a line of shoe stores similar to those familiar to us in this country; he manufactures a man's shoe. The manufacturers of the Sorosis shoe have made an arrangement with Mr. Clark so that they sell their women's shoes, the Sorosis being a woman's shoe, in the same establishment in which the men's shoes manufactured in Great Britain are sold. They have adopted this method of disposing of their goods, and, presumably, it is a profitable one, because it is being followed in Great Britain and, I think, to some extent on the Continent.

One other point about the Sorosis shoe. I have a pair of them here which I purchased yesterday in Washington, paying $4 for them.

Mr. CANNON. Will the gentleman allow me a question?

Mr. WEEKS. Certainly.

Mr. CANNON. Do I understand the gentleman that Mr. Clark, the English manufacturer, and the Massachusetts manufacturing company are selling their goods in this country?

Mr. WEEKS. Not in this country, but in Great Britain and on the Continent.

Mr. CANNON. Are selling them in Great Britain from the same room, one American made and the other English made?

Mr. WEEKS. That is substantially correct. I believe there is a thin partition between the two departments.

Mr. CANNON. Is the gentleman from Massachusetts informed as to whether there is being an international trust formed between these makers of footwear?

Mr. WEEKS. My investigation has not developed that fact. Now, I have here a $4 shoe which three or four years ago would probably have sold at $3.50. It is the ordinary Sorosis shoe.

Mr. KENDALL. Will the gentleman yield for a question?

Mr. WEEKS. Yes.

Mr. KENDALL. I understand the shoe that the gentleman is now exhibiting sells now for $4, and the current price two years ago was $3.50?

Mr. WEEKS. I did not say two years ago, but I think it would have sold at one time at that price.

Mr. KENDALL. Is it possible that the price of shoes has advanced that much since the tariff was removed?

Mr. WEEKS. I think so.

Mr. KENDALL. In the speeches made by the gentleman and some of his colleagues two years ago, the country was assured that the removal of the duty on hides would have the effect to reduce the price of shoes to the consumer.

Mr. WEEKS. I wish the gentleman would apply that statement to the man who made the speech.

Mr. KENDALL. I was quite sure that I heard such words fall from the lips of the gentleman from Massachusetts.

Mr. WEEKS. The gentleman from Iowa is mistaken; I never made such a speech or such a statement.

Mr. KENDALL. I am glad to see that the interest of Massachusetts is reviving in the protective-tariff policy. Let me ask another question: In the gentleman's opinion, what is the cause of the increase in the price of shoes?

Mr. WEEKS. I will go into that in detail later. Now, Mr. Chairman, the tops of these Sorosis shoes, and every part except the heel and the sole, is of vici kid, which is dutiable at 15 per cent. The shoe itself is dutiable at 15 per cent under the Payne-Aldrich bill, and will be dutiable at 15 per cent if the bill we have under consideration becomes a law. It is therefore easy for Mr. Little to assure the people that he is willing to have shoes made of cattle hides come in free when his own production is protected at the rate of 15 per cent, and will be if this bill becomes a law as now written. It is possible, of course, that he had not noticed this fact.

Mr. MARTIN of South Dakota. I trust that the gentleman from Massachusetts does not mean to insinuate that there can be any selfishness on the part of any manufacturer as to the rates put on shoes.

Mr. WEEKS. Well, I will leave the gentleman to make up his own mind on that score, having given him the facts.

Mr. CANNON. And yet, if I understand the gentleman right, and I want to get the facts into my head correctly, this manufacturer, who seems to be willing that shoes made from hides of cattle should be upon the free list, and this bill, if it becomes a law, leaves 15 per cent duty on the class of shoes he speaks of made by Mr. Little——

Mr. WEEKS. That is correct.

Mr. CANNON. Then he is entirely disinterested, of course. [Laughter.]

Mr. WEEKS. This completes my list of the 3 shoe manufacturers out of 1,322 who have made the public statement that they are willing to have shoes come in without a duty on them.

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

Mr. WEEKS. Yes.

Mr. MADDEN. Is Mr. Little the only man who makes the kind of shoe exhibited by the gentleman from Massachusetts, and on which there is a tariff of 15 per cent?

Mr. WEEKS. No; I do not think he is—oh, no; he is not.

Mr. MADDEN. Are there any of the large American shoe manufacturers who make this kind of a shoe?

Mr. WEEKS. That particular shoe is made alone by Mr. Little, or the A. E. Little Shoe Co.

Mr. MADDEN. Are there any other shoes of this class made?

Mr. WEEKS. There are other types of women's shoes that are made of such material that they would not be put on the free list under this bill.

Mr. MADDEN. What is the percentage of this class of shoe made in this country?

Mr. WEEKS. It is the percentage that would obtain from having some other material than the hides of cattle, the predominant component in making up the shoes.

Mr. MADDEN. What I want to know is, What proportion of all of the shoes made consist of the class of shoes about which the gentleman is speaking?

Mr. WEEKS. I have not that information.

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

Mr. WEEKS. Yes.

Mr. KENDALL. Where does this disinterested manufacturer live, who is willing to have everybody's product but his own go on the free list?

Mr. WEEKS. Mr. Little manufactures in Lynn.

Mr. KENDALL. Massachusetts?

Mr. WEEKS. Yes; Lynn, Mass.

Mr. KENDALL. I thought so.

Mr. WEEKS. Now, Mr. Chairman, I am going to pass to the proposition which was advanced the other day by the gentleman from Kentucky [Mr. CANTRILL], that most of the items in this proposed bill covered products which were controlled by trusts or combinations or monopolies. The shoe industry is one of the best distributed industries in the manufacturing line in the United States. Shoes are manufactured in 32 different States. The industry is increasing very rapidly in sections of the South and West, more so than it is in the East, where the industry originated. I recall only three manufacturers which are capitalized in such a way that the stock has a public market; these are the Regal Shoe Co., the W. L. Douglas Shoe Co., and the McElwain Co. Some preferred stock of each of these companies has a public market. There are many shoe companies in name, but those companies are close corporations in which stock has been issued to the partners and in some cases to the employees, but in no case are they public corporations. I do not know a single case, and I can not find one after considerable investigation, where the owners of any particular company have any interest in any other company. Therefore it is not possible that there can be any combination in the shoe industry in this country.

I want to call to the attention of the House at this time, fearing I may forget it, the fact that most grades of shoes sell at a difference in price based on 25 cents. It may be claimed that there is some combination or this would not be possible, but that is not the case. Shoes sell at $3 or $3.25 or $3.50, and every manufacturer who is making shoes of that general style and price puts into his shoes such value that his shoes will continue to sell. Suppose a man who sells shoes at $3.50 tries to scrimp their value, there are so many other well-known $3.50 shoes on the market that the minute he commences to lessen the value of his product his sales commence to decrease, so he must keep up the quality in order to maintain his output. Competition is keen enough in the shoe industry to bring about that result.

Mr. MICHAEL E. DRISCOLL. Will the gentleman yield for a question?

Mr. WEEKS. Yes.

Mr. MICHAEL E. DRISCOLL. Mr. Chairman, I have been paying a dollar a pair more for my shoes since two years ago, when hides were put upon the free list, and I inquired why. I was told there was an arrangement between the different manufacturers making that class of shoe by which they agreed to raise the price. I do not know whether it is true or not, but I was told that by the people who sold me the shoes.

Mr. WEEKS. Mr. Chairman, there is no truth in that statement. There is no arrangement at all. There is not a scintilla of evidence anywhere that there is any such arrangement. I doubt if the gentleman from New York is paying a dollar more for a shoe than he was three or four years ago—that is, for a shoe of the same value. I think, probably, he is paying 50 cents more.

Mr. MICHAEL E. DRISCOLL. Made on the same last, by the same parties, claimed to be made of the same kind of leather, and on the same kind of machine.

Mr. WEEKS. It may be that that is true, but the probabilities are that the increase has been 50 cents a pair instead of $1, if the same quality is in the shoe. Now, as to the leather industry. There is no combination in the leather industry. It is true that there are two large leather companies in this country—the Central Leather Co. and the American Hide & Leather Co.—but I am informed they do not manufacture more than 35 per cent of all the leather that is tanned in the United States, probably not more than 30 per cent, without including the tanning which is done for the packers—that is, by Armour & Co., Swift & Co., and Morris & Co., who now tan or stock tanneries, using in this way about one-half of the hides which they produce. The other two large packers do not tan any hides at all, but in any case, including the packers, these companies do not include one-third of all the tanning establishments, in number, in this country, and they do not include more than about 35 per cent of the total output of leather. No one can say—not even "the peerless one" would contend—that 35 per cent of a business in several different hands constitutes a trust or monopoly or combination.

Now, as to the question of machinery. It has been frequently stated, both on this floor and in the public press, that the shoe industry was in the hands of a machinery monopoly—that is, in the hands of the United Shoe Machinery Co., which does a large part of the shoe-machinery business of this country. This company represents a combination made 12 years ago of three companies—the Goodyear Sewing Machine Co., the MacKay Shoe Machinery Co., and the Consolidated & MacKay Lasting Machine Co. Each of these companies furnished fundamental machines to perform a particular class of operations, each independent of the other, but together making up the links of one industrial chain. But, in addition to these main machines, this company owns or controls more than 100 different kinds of machines which are used in the manufacture

of shoes. It does not require in its contract that any number of its machines shall be used. In fact, there are 60 different shoe machinery manufacturers in the United States furnishing shoe machines which are working side by side with these fundamental machines of the United Shoe Machinery Co.

Any manufacturer can lease the company's essential machines without being obliged to use any other machine which the company makes. Substantially every factory in the United States uses machines which it has not obtained from the United Shoe Machinery Co. In many cases they come in direct competition with the machines which this company produces. None of the machines which stitch together the pieces of the upper part of the shoe are produced by this company, and necessarily these machines must constitute a large part of any factory's equipment. The direct advantage which the United Shoe Machinery Co. has is that it can furnish all the machines which are used in attaching the soles and heels to the uppers, known as the bottoming room, and I believe it is the only company which can do this.

SUMMARY REGARDING MACHINES USED IN SHOE FACTORY FITTED TO MAKE GOODYEAR-WELT SHOES.

| | |
|---|---|
| Total operations in factory, hand and machine | 185 |
| Hand operations | 28 |
| Total machine operations | 157 |
| Total operations done on machines not furnished by the United Shoe Machinery Co. or which may be done on competing machines | 146 |

Any manufacturer is at liberty to lease the Goodyear welting machine and the Goodyear stitching machine without being obliged to lease or buy anything else from the company. Any manufacturer can lease the company's essential machines without being obliged to use any other of the many machines which the company makes. He can take the others or leave them, as he pleases, without regard to any lease he already holds.

Mr. MARTIN of South Dakota. Will the gentleman permit a question?

Mr. WEEKS. I will.

Mr. MARTIN of South Dakota. Are these machines protected by patents.

Mr. WEEKS. They are protected by patents.

Mr. MARTIN of South Dakota. Are those patents near termination or have they a long time to run?

Mr. WEEKS. They have different times to run, but different patents are being taken out constantly, not only by the United Shoe Machinery Co., but by all other companies.

Mr. MANN. Will the gentleman yield for a question?

Mr. WEEKS. Certainly.

Mr. MANN. Have not a large number of the original patents run out?

Mr. WEEKS. Oh, undoubtedly; because this combination was made 12 years ago and they had been manufacturing machines for many years before 1899.

Mr. MANN. These machines are also protected, as I understand, by 45 per cent ad valorem.

Mr. WEEKS. They are.

Mr. MANN. Which it is not proposed to remove in connection with putting shoes on the free list.

Mr. WEEKS. That is a fact. I do not want to forget it, but I noticed the gentleman from Illinois put in the RECORD the other day a statement made by Mr. Florsheim, a Chicago manufacturer, criticizing this machinery combination, as he termed it, and said if shoes and leather were put on the free list that machinery should be also.

I want to point out what would be the result of putting this machinery on the free list. The United Shoe Machinery Co. not only manufactures in this country, but manufactures in England, France, Germany, and Canada. It was necessary for it to do this in order to maintain its patents in those countries. It manufactures the same machines in those four countries that it does in the United States and it supplies its entire market for machines outside of the United States from those factories. Now, if machinery were put on the free list, they would undoubtedly, if they were going to try to make the best possible return on their capital, manufacture all machines abroad and send them in here, because I have testimony, which I will submit later, showing that the average wage which they pay for labor in their manufactories in Europe is 9 cents an hour, while the average wage paid in this country is 27 cents an hour. They employ in the cities of Beverly, Lynn, and Lawrence, Mass., 5,000 men, who are paid an average of $15.75 a week, the total wage being something like $75,000 a week, or nearly $4,000,000 a year. Now, if their machinery were manufactured on the other side at one-third the labor cost, we can easily see that it would mean the payment of wages not of $4,000,000, to our workmen, but either one-third of that amount to our own workmen or to the workmen of a foreign country. That is what it would mean to put shoe machinery on the free list.

I now yield to the gentleman from Indiana [Mr. BARNHART].

Mr. BARNHART. What is the fact about some of the manufacturers of this shoe machinery refusing to sell their machinery, but only leasing it?

Mr. WEEKS. The United Shoe Machinery Co. only leases its machinery. It does not sell it at all.

Mr. BARNHART. Why not?

Mr. WEEKS. Because its policy is to lease its machinery. I want to point out to the gentleman some advantages that come to the shoemaker as a result of this policy. Any man of good character can start in the shoe business in this country if he has money enough to furnish working capital for his business. He can go into almost any good town and get a suitable plant built for a shoe manufactory, without a large cost to himself, and have his property exempted from taxation for a term of years. He can obtain from the United Shoe Machinery Co. machinery without any cost to himself, on a lease basis, so that his machinery cost, as far as this company is concerned, is nothing. Therefore this leasing system has tended to stimulate independent shoemakers in the United States and has prevented the combinations which possibly would have been made otherwise.

Mr. BARNHART. Another question. Is it not possible that the price you speak of there might be maintained through the action of the shoe-machinery companies in keeping their lease rates so high that a man, in order to manufacture shoes, would necessarily have to sell his shoes at a higher rate from time to time as this shoe-machinery company might dictate?

Mr. WEEKS. Let me point out to the gentleman from Indiana why it is not possible. In the first place, the average wage paid to labor in the manufacturing industries in this country is about 17½ per cent of the entire cost. The average wage paid to shoemakers in this country is about 22 per cent of the cost of the finished product—4½ per cent more than the average in other industries. The labor cost of a $2.50 shoe—a shoe that costs the manufacturer $2.50—is 22 per cent of that amount, or about 55 cents a pair. The machinery cost of that shoe is not over 4½ cents a pair. The highest machinery cost on any pair of shoes manufactured in this country is 5.09 cents a pair. The lowest machinery cost is one-half cent a pair, and the average machinery cost of all shoes made in this country—there are 260,000,000 pairs made—is but 2⅔ cents a pair. The gentleman from Indiana can easily understand that if the wage cost is 22 per cent of the total cost, which in the $2.50 shoe would be 55 cents a pair, and if the average machinery cost is 2⅔ cents a pair, the machinery cost bears so small a proportion to the cost of the shoe that it is negligible.

Mr. ESCH. Can a manufacturer of shoes lease a portion of his machinery from the United Shoe Machinery Co. and purchase or lease his other portion of machinery from other manufacturers?

Mr. WEEKS. He can; and that is done by a large part of the shoe manufacturers of this country.

Now, Mr. Chairman, I want the clerk to read a letter which I send to the desk from a manufacturer of women's shoes in Fort Dodge, Iowa. I use this because it is an admirable statement of what I have been outlining, and which I would like to have time to discuss further, and would do so if the facts were not so clearly stated in this letter. However, before the reading of the letter I will yield to the gentleman from Missouri [Mr. RUCKER].

Mr. RUCKER of Missouri. Before the letter is read?

Mr. WEEKS. Yes.

Mr. RUCKER of Missouri. I understood the gentleman to say that the policy on the part of shoe manufacturers of renting machinery with which they made the goods they sell, instead of purchasing the machinery outright, enabled the manufacturers to engage in the business with less capital than would otherwise be necessary?

Mr. WEEKS. Yes.

Mr. RUCKER of Missouri. And that would tend to increase the number of manufactures?

Mr. WEEKS. Yes.

Mr. RUCKER of Missouri. If the figures submitted by Mr. HARRIS, of the gentleman's State, are correct, they would show that in 1910 there were 1,316 different concerns in the United States making shoes, when statistics show that 10 years ago there were more than 2,000 concerns making shoes, so that it seems to indicate that the number of concerns is getting less rather than more.

Mr. WEEKS. That is true; but if it had not been for this practice of renting machines I believe that instead of there being 1,316 different concerns now in the United States there

would be considerably less. This policy has not prevented people from engaging in the shoe manufacturing business, but it has, in my judgment, decreased the tendency to abandon it.

Mr. JACKSON. Will the gentleman yield?

The CHAIRMAN. Does the gentleman from Massachusetts yield to the gentleman from Kansas?

Mr. WEEKS. Yes.

Mr. JACKSON. The gentleman stated the cost of the product in England and in this country, and also stated the cost per pair on shoes costing about $2.50 per pair.

Mr. WEEKS. The labor cost I stated, to which the gentleman refers, is the labor cost of manufacturing the shoe machinery, not the labor cost of manufacturing the shoes.

Mr. JACKSON. Can the gentleman give us the labor cost of manufacturing shoes in this country and in England?

Mr. WEEKS. Yes; I will do that later.

Mr. COX of Ohio. Will the gentleman yield?

The CHAIRMAN. Does the gentleman from Massachusetts yield to the gentleman from Ohio?

Mr. WEEKS. Yes.

Mr. COX of Ohio. I would like to ask the gentleman, before he passes from the feature of foreign patent rights, whether it is not true that American manufacturers are no longer compelled to maintain their plants in Germany in order to retain their patent rights?

Mr. WEEKS. I understand that is correct; but the United Shoe Machinery Co. built a plant in Germany when it was necessary for them to maintain the plant there in order to retain their patent rights.

Mr. COX of Ohio. Now, will the gentleman permit this observation? At the time the American Government had up with the German Government, through the Commissioner of Patents and the Secretary of State, the matter of eliminating this practice, many of the manufacturers in my part of the country—and I think I represent the largest export district in America—were anxious to have that practice or regulation done away with. Our manufacturers held that by means of high-class machinery and help they were able to effect economies by manufacturing in this country and shipping the products abroad. It is true with reference to the cash register and the sewing machine that it is cheaper to make them in Ohio and ship them abroad than to make them in Russia or in Germany, a situation that conflicts with the gentleman's statement with reference to cheaper labor abroad.

Mr. WEEKS. That is true of certain industries, notably with the bridge-building industry. Some industries may be so well developed in this country that they can compete with any foreign manufacturer or with the facilities which any foreign manufacturer has. But I will call attention a little later on to the fact that these facilities are constantly increasing over there, and they are becoming more active rivals all the time. Furthermore, the question of manufacturing in this country or abroad would be largely determined by the proportional cost of labor to the whole cost.

Mr. MANN. Will the gentleman yield?

The CHAIRMAN. Does the gentleman from Massachusetts yield to the gentleman from Illinois?

Mr. WEEKS. Certainly; I yield.

Mr. MANN. I will state to the gentleman in that connection that the bill proposes to put biscuits and crackers, and so forth, on the free list, and keeps the duty on nearly all the machinery used in making them. The tariff is paid on that machinery, because it is imported from England. It is not made here.

Mr. WEEKS. Yes.

Now, Mr. Chairman, I wish once more to call attention to the fact that the letter now about to be read was written by a shoe manufacturer located at Fort Dodge, Iowa, and it is a statement of his idea of the advantages of using the machinery of the United Shoe Machinery Co.

The Clerk read as follows:

DECEMBER 16, 1910.

DEAR SIR: My attention has been called to an article appearing in September number of Hampton's Magazine on the shoe-machinery question. The author of this article, while in the main correct, has presented his article in such a way that the reading public are likely to be entirely misled as to any real danger or hardship or oppression. Almost any large business, when dealt with in the aggregate, that is, as to the volume of business and profits, and not by the unit of profit or profit by article, is apt to appear in a false light and create an entirely wrong impression with the public. Specially is this true if the charge is made, as this article states, that the American people are being robbed and that the royalty paid to the United Shoe Machinery Co. constitutes a large share of the cost of shoes and attributes in large degree the high cost of living to this fact. Nothing could be further from the truth. While it is true that the machinery company in large measure controls the shoe machinery industry, it is so by virtue of having the best machinery on the market for the different processes of shoemaking.

Being a manufacturer of shoes (we make women's shoes), I am in a position to speak authoritatively on the subject.

Dealing with the subject as it applies to each pair of shoes, what do we find? We find that the largest amount of royalty that is paid on the highest-priced women's welt shoes is about 4½ cents per pair. Now, this would not appear to be such a large amount to go into hysterics about when compared with the total value of the shoe. This cost is, of course, added in the cost of the shoes, the same as leather, labor, and any items of expense in manufacturing, and, as you see, constitutes a very small amount of the cost or value of a shoe.

A shoe selling to the consumer at $4, $4.50, or $5 would have 4½ cents royalty cost. But what do we get for it? We get, first, as stated, the best made, most efficient machinery ever placed on the market for the different operations of manufacturing shoes. Next, we have the use of a corps of expert machinists, who come without cost to us (sent by the United States Machinery Co. from their different agencies) to set up the machines, teach operators, and keep the machines in repair at all times. We just to-day telegraphed for machinists to come to repair and put in operation two of their machines which became disabled. We are entitled to and get the benefit of improvements on machines by paying freight only on new machines. They send machinists to put up machines, teach operators in every instance, and also at any time if machines are disabled or new operators to be taught.

Royalties are very small, on some machines in the system from $5 to $50 a year. For a few machines operating material is bought from the company, such as nails and wire, but the cost per pair is so very small that it is hard to figure in some instances the cost per pair. I think I can safely and conservatively say that 85 per cent of the shoe manufacturers of the country are perfectly satisfied with the present conditions, with the cost, with the treatment, and with the advantages of having the best-organized concern, employing the best and most competent machinists, who are at all times at the service of the shoe manufacturer.

Now, as to any presumed extortion from the consuming public. What would be the result if we were operating under old conditions? Several different machines for doing the same operations would be on the market, some good, some bad, and some quite indifferent, but none of them with the efficiency of the machines in operation now, because the United Shoe Machinery Co. do not put out machines until they have been thoroughly tested and found absolutely perfect in their operation. This is necessary from every point of economy, because their revenue depends upon the perfect and constant working of the machines, as most of the royalty is paid so much per pair. The shoe manufacturer is not a machinist. When, under old conditions, he bought a machine he had to buy it outright and take his chances on its doing the work as represented by the company selling, and also take his chances on an improvement being made at any time which would make his machinery worthless. He would have to employ an expert machinist, competent to take care of all his machines, which could hardly be done, for the United Shoe Machinery Co. people find they have to and do employ separate machinists for each system of machines. If such a machinist could be employed, he would be a very high-priced man, and the ordinary manufacturer could not afford to pay the price, and if they did they would have to add the extra cost to the cost of the shoe. So, taking the expense incurred by depreciating machinery, which would be constantly occurring in large degree, other than ordinary wear and tear on account of continual supposed improvement, together with the large expense of employing at high salaries expert machinists to take care of and keep in repair the machines, the cost per pair over what it now costs would conservatively amount to four or five times as much as the present royalty system involves. What would be the result? Every small concern and, in fact, every concern except the very largest would be forced out of business, because they would not have capital enough to keep up their machinery account and employ the high-priced experts to take care of it, and we would have a shoe manufacturers' trust far more formidable and costly to the consumers than under present conditions. The fact is that under the admirable organization of the United Shoe Machinery Co. the industry of shoe manufacturing is stimulated, so that any energetic, capable person with a little money can go into the shoe manufacturing business. The development of the shoe industry in the United States in the past few years has demonstrated this. The people to-day are buying better shoes for the same or less money than it would be possible under, strictly speaking, competitive shoe-machinery competition. It might be asked where and how does the United Shoe Machinery Co. make such large earnings? Per-pair the profit is small, but in the aggregate, due to their magnificent organization and equipment and the consolidation of the business, the operating cost is reduced and the aggregate profit, of course, large. In other words, they save what would be wasted or dissipated by the old method, and the public is getting their share of this saving.

No one can complain from an economic point of view to a 4½ cent a pair cost in a pair of shoes when that cost would be doubled or trebled under other and less favorable conditions.

I am induced to write this letter in order that a false issue may not be started and the consumer of shoes be led astray by a wrong conception of the matter.

Very truly, R. O. GREEN.

Mr. HARDY. In connection with the suggestion made by the gentleman from Illinois [Mr. MANN] that the machinery to make crackers, and so forth, was imported and a duty paid on it because not made in this country, I noted that the gentleman now occupying the floor [Mr. WEEKS], when the question was raised by the gentleman from Indiana [Mr. BARNHART] as to whether the machinery cost might not interfere with the independents making shoes, stated that the machinery cost of most manufactured articles was between 2 and 4 per cent.

Mr. WEEKS. The gentleman from Texas misunderstood me. I said the machine cost for manufacturing shoes averaged 2⅞ cents a pair. I was not speaking of other articles.

Mr. HARDY. Now, I want to suggest, with reference to the statement of the gentleman from Illinois, that the machine cost for crackers made a very small per cent of the total cost of crackers, and that therefore the duty paid would be so infinitesimally small in connection with the total cost that it seems to me that ought not to affect the cost of crackers.

Mr. FORDNEY. What is the machinery cost for making crackers?

Mr. WEEKS. Mr. Chairman, I stated when I began speaking to-day that I was going to talk about the shoe and leather industry. I think I know something about that, and I do not want to have injected into it some other matter which I have not investigated and concerning which I may not have the information.

Mr. HARDY. The gentleman is right; but I only spoke of that in reply to what the gentleman from Illinois had said.

Mr. FORDNEY. If the gentleman from Massachusetts will permit me, as long as the gentleman's remarks about the machinery cost of manufacturing crackers are in the RECORD, I would like to have in the RECORD a statement of what the machinery cost for making crackers is.

Mr. WEEKS. I should like to have this cracker argument left out of my remarks.

Mr. MANN. The other side of the aisle are very much interested in crackers.

Mr. MURRAY. Mr. Chairman, just for the purpose of getting the thing clearly in the RECORD, I should like to ask the gentleman from Massachusetts whether or not the United Machinery Co., referred to in the letter that has just been read, is the United Shoe Machinery Co., of Massachusetts?

Mr. WEEKS. It is the same company.

Now, Mr. Chairman, one critic of the United Shoe Machinery Co., at least in some respects, is Mr. Charles H. Jones, president of the Commonwealth Shoe Co., to whom I have referred. Notwithstanding his not being entirely in sympathy with this company, I want to read something that Mr. Jones stated in a public interview four years ago as to the advantages of this company's machinery and its methods.

Q. Is it not a fact, as claimed by the advocates of this bill, that the Shoe Machinery Co. is very arbitrary in its dealings with the shoe manufacturers and that its large earnings are a heavy tax on the industry?—A. There are, undoubtedly, some clauses in the different leases which manufacturers are required to sign with the machinery company that give the impression that the company desires to bind the manufacturers and limit them in their business action to an unreasonable extent. At the time of the organization of the machinery company I resented very deeply what seemed to me the extreme and unfair advantage that they were taking of the power which they undoubtedly held over shoe manufacturers, but in the six or seven years during which they have been in operation I must say that I have waited in vain for any unfair or arbitrary use of this power on the part of the company; in fact, their dealings with us have been marked by more consideration than was formerly shown us by many of the constituent companies. It is a fact that must not be overlooked, that if the company is a despotism it has been up to this time of the most benevolent type. It has actually reduced the prices on many of its machines; it has placed others in our hands on a rental system that has saved us a very large investment of capital; it has certainly given more faithful care and attention to the running of the machines and keeping them in order; and in our country factories, where we employ a large proportion of inexperienced help, they have given us more constant and faithful attention in instructing new operators and in the supervision of the machinery under trying conditions than we ever obtained from any of the constituent companies.

Q. Has the charge for such service as you describe been increased over what you formerly paid?—A. I can not say that it has. As far as I recall them, the royalties demanded by the company are the same, exactly in amount, that we have always paid. It is only fair to add that they have supplied us with many additional machines to do the minor parts of the work, without any charge at all. These machines have been of considerable value to us, both in the saving of labor and increasing the uniformity of the goods, and are such machines as would undoubtedly have cost us a round sum if the United Shoe Machinery Co. had not been in position to furnish them to us gratis.

Q. The newspaper reports of the hearings at the legislature made quite prominent the statement that exorbitant prices have been charged by the company for supplies. The prices of tacks and nails in the open market and the price charged by the Shoe Machinery Co. were compared. Do these statements show the facts as they actually exist?—A. I did not see the statements, and so can not answer that question; but if you wish to know whether the company is charging us an unfair price for tacks and nails, will say that this is entirely untrue. The royalty on some of their machines is derived from the price of the tacks and nails used on them; consequently the price which they charge for the tacks and nails is certainly greater than the same thing could be bought in the market for use by hand; but, as a matter of fact the Shoe Machinery Co. charges us no more for tacks to-day than they did many years ago when tacks in the open market were much cheaper than to-day; in fact, my impression is that they have actually reduced the price of tacks between 25 and 30 per cent, while everyone knows that the cost of tacks and nails in the open market has advanced.

Also, in regard to eyelets, which they now manufacture extensively, we are paying them from 10 to 20 per cent less than we formerly paid, although it is perfectly well known that the copper and spelter from which they are manufactured have advanced in price nearly 50 per cent since 1899.

Q. You do not seem to be one of the manufacturers who regard this trust as one of the burdens on the industry?—A. I must say that that is not my view to-day. I am by no means convinced that all their methods are the best, or that their policies might not be changed to make them more liberal in some respects, but I am very glad to say that the expectations I had of what was to be the result of this combination when it was formed have not been borne out by our experience. Up to this time I do not believe any manufacturer who has been honest and straightforward in his dealings with the company can show any clear grievance against the company, or can make out the slightest case of crowding or coercion. On the contrary, I can say for ourselves that the question of royalties and machinery, which was formerly one of the most vexatious and exacting departments of our business, has ceased to give us any concern at all. We were formerly obliged to examine new inventions, and were forced to make experiments with machines for months at a time, with the result that we obtained more or less bad work, and were put to much useless expense, and the thought and attention of our best men was given to deciding between the merits of the old and the new. We were obliged to dicker and trade with every different manufacturer of machinery all the time with the moral certainty that somebody who had more time and attention to give to it would get a better bargain than we were able to obtain, and with it all there was an enormous and perpetual shrinkage on account of the changes made necessary by the introduction and adoption of machinery that was not thoroughly and satisfactorily developed before being placed on the market. To-day this is all changed. If we want a machine, we simply notify the company. Their agent confers with our foreman. The best machine known for doing the work is installed with little or no expense to us. We are obliged to pay a rental in some cases, which would amount to about the same as the yearly shrinkage in value of the machine if we had had to buy it, but the capital which we would formerly have been called upon to invest is still in our possession for use in our regular business. We are confident that we are getting the machine on as favorable terms as any competitor, and we are enabled to employ our own time and ability in the legitimate branches of our business, and we have not, up to this time, been obliged to pay as much for this privilege as we formerly paid, for the very much less satisfactory condition. It may be true that the Shoe Machinery Co. suppresses inventions, but my own experience with outside manufacturers during the past five or six years has gone quite a way toward convincing me that the outside inventor gets all the consideration from the company to which he is entitled. We have encouraged a few of them that we thought had good things, only to be sold out by them as soon as they could make a satisfactory trade with the company.

I wish to summarize some of the facts relating to this company and its business. The highest royalty charged in the manufacture of any shoe—the Goodyear welt men's shoes—is 5.09 cents per pair; for women's Goodyear welt shoes the royalty charged is 4.24 cents per pair; for McKay shoes, 1.75 cents per pair; for Goodyear turned shoes (both of the latter women's shoes), 1.1 cents per pair. This rental includes installation of machines, maintenance of machines, depreciation, all care of machines, and repairs, except the cost of new parts. The royalties charged abroad—and exactly the same methods are followed in other countries which prevail here—are the same as in the United States. It is claimed that the company has furnished its lessees with the very best equipment obtainable at all times; that it always substitutes improved machines for those which have become out of date; that since the combination was formed it has eliminated payments which were previously required for the installation of machines; that it has reduced its rentals and royalties, both directly and indirectly—the latter by furnishing auxiliary machines without additional royalty charge. It has constantly increased the efficiency and extent of its service; it has spent from $300,000 to $750,000 a year since the organization of the company in maintaining a corps of inventors and developers in its experimental department. During this time nearly 100 new machines have been developed by the company, and by the use of these new machines it is believed that manufacturers save annually in cost of production an amount greater than the royalties paid at the time the company was organized, 12 years ago.

I now take up the third proposition which I stated at the outset, and that is, why English shoes are sold in this country, why American shoes are sold in Europe, and why the shoe sales in many European countries are not increasing, and other matters relating to that subject.

We were the earliest and best developers of shoe machinery, which is the basis of the great prosperity in the shoe manufacturing industry to-day. As I have said, it only costs 2¾ cents to make shoes with this machinery, while if labor had to be used the cost would probably be many times as much. The machinery is so well developed that it makes a better shoe, on the whole, than we would be likely to get if it were handmade.

Most of our shoes sold in Europe are made by a few manufacturers. George E. Keith is the largest seller, probably selling one-third of all the American shoes now sold in Europe. He has 23 shoe stores in Great Britain, 5 in London, 1 in Paris, and 1 in Brussels. Quite likely Mr. Keith makes more per pair by selling in this way than he would in any other. In any case, it is carrying out the same methods which prevail in this country, developed during the last 20 years by our large shoe manufacturers. Among the other large sellers abroad are the makers of the Sorosis, the W. L. Douglas, the Regal, and the Hanan. American shoes sold abroad are largely sold through these shoe stores established by the manufacturers themselves. They are not sold through jobbers to the same extent that shoes are in this country.

Now, why do people buy them if they can buy as good a shoe at the same price made in their own country, as they undoubtedly can? I do not believe that an American shoe ever sold on the other side on account of its being cheap in price, but

because it had more style and fitted the foot better. In fact, we do not sell any low-priced shoes in Europe.

The shoes that we sell there are all shoes varying from $3.50 to $7 a pair. They sell, first, because there is a large colony of Americans, especially in Paris, London, and other centers, who naturally buy the American product. Then there are people in Europe who like to buy things made abroad. In addition, there are thousands and tens of thousands of Americans traveling in Europe who naturally buy the shoe that they would buy at home if they were here. These classes furnish a large per cent of the market we are finding for our shoes abroad, and this business is being extended. My attention was called the other day to one of these American shoemakers who started a store in Sofia. This was no sooner done than a capitalist living there, attracted by the character of the shoe, thought it would be a good business, went to Germany, and made arrangements with the United Shoe Machinery Co. to start a manufacturing plant in Sofia. Then he went to Paris and raised additional capital, so that he is going to establish a manufacturing plant in Constantinople, one in Bucharest, and one at some other point in the Balkans; I do not recollect just where.

But we are not selling more shoes in Great Britain than a year ago; we are selling less, because the English have got on to our methods and our form and our style. We are selling more shoes in Canada, Cuba, and Mexico—very many more—in fact, nearly the entire increase in our sales abroad is in these countries. We are selling these shoes because the countries mentioned are near at hand, can buy more readily, and get quicker delivery than if they buy elsewhere. But our European trade is not increasing. That with Great Britain and France is actually falling off. Another reason, which I have neglected mentioning, why our shoes sell in Great Britain is that we have always made a shoe of better style. We have always made half sizes in shoes. The English for many years made their shoes varying from one size to another—a three or a four or a five, but no three and a half or four and a half or five and a half. They made only one width, or at most two, in each style. A friend of mine has told me recently that he went into many shoe stores in a city of 300,000 people in Great Britain, some seven years ago, and tried to buy an English shoe of more than one width, but he could not find such an article in any shoe store in that particular city. We make seven and eight widths for each size of shoe. That is one of the elements in increasing the cost in our shoe manufacturing business. We manufacture so many varieties of shoes, so many sizes, and so many forms.

That condition, however, is what originally gave us this foreign trade. We fit the foot of the purchaser; and, therefore, when a man has worn an American shoe once his disposition is to wear the same American shoe again. These methods have been adopted by foreign manufacturers, who have sent their men over here, putting them into our factories, buying our lasts, and getting our ideas, so that they are in time going to manufacture as good shoes in Great Britain and in France and in Germany as we do in this country. I do not mean shoes having as much value of material in them—because they have always put the value of material into the shoes—but shoes that will fit the foot—that have the style—and, therefore, are likely to sell as well as ours. The same condition is true in the manufacture of leather.

A few days ago I was informed by a tanner of leather in Massachusetts, one who has been shipping a large quantity of leather to Great Britain, that he had been informed by his customers there that the German and French leather was now quite as good as ours, and could be had at lower prices than they were paying in this country. Incidentally, the vici kid that I have spoken of, which composes the upper of the Sorosis shoe, was a German patent, which our people took up and developed in this country. Two former Members of this House, Mr. Foerderer and Mr. Burke, of Pennsylvania, were the developers of vici kid; they built up a very large trade in this country by using this German patent and making a product suitable for the market and also sellable abroad. Now, those people on the other side are making use of their own patents, and have developed a leather which fairly well meets the requirements of the trade which our leather has heretofore supplied.

Mr. AUSTIN. Mr. Chairman, I would like to say, with the gentleman's permission, that I spent over a year in Scotland, and you can not possibly detect the difference now in some of the best quality of English-made shoes from the American shoes. I have been fooled a number of times myself in the purchase of shoes, supposing I was buying an American shoe, when, in fact, it was an English-made shoe.

Mr. WEEKS. Mr. Chairman, I would like to have passed around this shoe which I hold in my hand having the toe cut off, because it is a sample of the best class of American-manufactured shoe. It is the Goodyear welt shoe, made for women. The section shows the connection between the inner sole, the upper, the welt, and the outer sole. I think it may be of some interest, because it represents the best product of our machine-made shoe and indicates the ingenuity required to develop machinery which will do all of this work.

Mr. HARDY. Mr. Chairman, will the gentleman, while the shoe is going around, permit one question?

Mr. WEEKS. Mr. Chairman, I am not going to wait for the shoe to get around; but I will say to the gentleman that I will yield to him for a question.

Mr. HARDY. If one of your companies can maintain and establish 23 houses in Great Britain in competition with the shoemakers of that country there, why can they not do it here?

Mr. WEEKS. Mr. Chairman, I have explained to the committee why those houses have been established over there—because we were making a shoe of an excellent style, a shoe which fitted the foot, and our competitors were doing neither.

Our shoemakers made a shoe which was sold to American travelers and American residents over there and other people who liked it better than the shoe which was made there. Now, the English manufacturer is using the same last, frequently purchased in this country, and he is using the same machinery——

Mr. HARDY. Is it the gentleman's conclusion that these 23 houses established by an American factory would have to be closed in Great Britain?

Mr. WEEKS. Oh, people are very largely influenced by custom and habit. I do not think they will be immediately closed, but I am told that some of them are not profitable to-day, while some have worked up a profitable trade. It depends upon the local conditions. I do not think they will be closed this year or next year. I do not think they will be even if shoes are put on the free list, but eventually I feel positive they will go out of business in the countries referred to. Such ventures are seldom profitable at once; it takes time, capital, and experience to build up a profitable foreign trade.

Mr. HARDY. Now, I am asking for information, because I understood gentlemen the other day to say they bought the same kind of shoes in London much cheaper than they were sold here, and I did not understand the gentleman to deny that, and I would like to ask now, Is it a fact that those shoes are sold cheaper abroad than here?

Mr. WEEKS. It is not a fact. I do not believe you can buy an American-made shoe in London a cent cheaper than in this country. On the contrary, in some stores in some places it will sell at a higher price. The United Shoe Machinery Co., manufacturing its machinery abroad, as I have shown, at one-third of the labor cost in this country, leases it abroad exactly as it is leased in this country and at the same rate. There is no foreign manufacturer getting a single machine of the hundred and some odd made by the United Shoe Machinery Co. one penny cheaper than that machinery is being leased for in this country.

Mr. HARDY. What I wanted was the statement from the gentleman that it is not a fact that shoes made here are sold cheaper abroad than at home.

Mr. WEEKS. I do not know of any such case and do not believe it exists.

Mr. MARTIN of South Dakota. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman has expired.

Mr. DALZELL. Mr. Chairman, I yield the gentleman such time as may be necessary to permit him to conclude his remarks.

Mr. WEEKS. Mr. Chairman, I will try not to intrude upon the time of the committee any longer than necessary, but I have been delayed somewhat by questions.

Mr. MARTIN of South Dakota. Will the gentleman yield for a question?

Mr. WEEKS. Yes.

Mr. MARTIN of South Dakota. If it be a fact, as the gentleman stated, that American manufacturers are not selling their shoes in the English market cheaper than they are selling them here, has the American manufacturer anything to fear from the competition of English shoes in this country?

Mr. WEEKS. Mr. Chairman, that is a pretty difficult question to answer definitely, but I will try to answer it before I finish my statement.

Mr. CANNON. Mr. Chairman, I desire to ask the gentleman just at that point to see if I understand it. I understand the United Shoe Machinery Co. of America charges the same license for their machinery and that they manufacture at a less labor cost in Europe than here.

Mr. WEEKS. Absolutely.

Mr. CANNON. Now, then, I understand that they are selling that machinery, manufactured abroad at a less labor cost, to the foreign manufacturer and that he engages in the manufacture of shoes abroad at one-half or less the labor cost with the same kind of machinery that comes in competition under this bill with American-made shoes——

Mr. WEEKS. That is true, except they do not sell the machinery; they lease the machinery there, as they do here.

Mr. CANNON. Now, the machinery which they lease is similar in Europe to that used in the United States, and it is leased upon the same terms; but in the United States, as I understand the gentleman, and that is what I want to ask him, the cost of operating the machinery in the shoe factory is at least double what it is in Europe. Is that correct?

Mr. WEEKS. That is substantially correct; I am just coming to the question of labor cost.

Mr. SHERLEY. If the gentleman will permit, are not two statements inaccurate? Last and style have nothing to do with the machinery leased by this company, both to the English and American manufacturer.

Mr. WEEKS. The last is an entirely different matter from the machinery, of course. But they are buying their lasts over here in order to get our styles.

I want to add one word to my answer to the gentleman from Illinois [Mr. CANNON], to the effect that the machinery cost of shoes is less in this country than it was five years ago. It is less than it was 10 years ago, when the combination was formed. It is the only item which goes into the making up of a shoe which has not increased in cost in the last 10 years, and the machinery cost is the only item going into the making of shoes abroad which is not cheaper abroad than it is in this country. Every article that goes to make up the shoe, in small ways, as well as the leather, is cheaper abroad than it is here.

Mr. MARTIN of South Dakota. Will the gentleman yield for one other question?

Mr. WEEKS. Yes; I yield to the gentleman from South Dakota.

Mr. MARTIN of South Dakota. Do the English shoes of the same grade sell in the English market for a less price than an American shoe of that grade?

Mr. WEEKS. It is pretty difficult to tell. If they are not of as good style——

Mr. MARTIN of South Dakota. The inquiry of the gentleman from Illinois [Mr. CANNON] and the answer to the same would indicate that the Englishman may make his shoes of the same grade cheaper than the American. You have stated that the American gets as large a price in England as he does here. I think it would be quite as important to be informed as to whether the Englishman is getting a larger profit upon the same grade or whether he is selling cheaper.

Mr. WEEKS. It is difficult to say when a shoe is of the same grade, although they are made by the same machinery and on the same last. It is a question of finish. The English use some different methods from ours in making their shoes. They use hand labor instead of machine labor, in some instances, which adds something to the cost of the shoe.

Mr. MARTIN of South Dakota. The question of grade would be the controlling question with the purchaser, would it not?

Mr. WEEKS. The question of style, and whether the shoe fitted his foot or not—such things are taken into consideration and are frequently the controlling factors in deciding what shoe one will buy.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. WEEKS. I yield.

Mr. MOORE of Pennsylvania. Can the gentleman tell us anything about the custom that is said to prevail in certain European countries of marketing as American made goods that are made at a cheaper wage rate in Europe than in the United States?

Mr. WEEKS. I do not know anything about it.

Mr. MOORE of Pennsylvania. The consular reports frequently tell us that is the practice, namely, that shoes made abroad are labeled "American-made shoes," and in this way obtain popularity in foreign markets.

Mr. WEEKS. It is possible that is so, but I have not investigated that subject.

Mr. MURRAY. May I ask the gentleman whether or not he has any figures which he can give us on the relative efficiency of American shoe laborers and foreign shoe laborers?

Mr. WEEKS. Mr. Chairman, I have not any definite figures on that subject, but this machine labor is largely controlled and limited by the agreements which are made with the unions in both countries, to a greater extent abroad perhaps than it is in this country. For instance, a welter of shoes in Brockton, Mass., welts 22 dozen pairs a day. If he is a skilled man he may finish his day's work at 3 o'clock in the afternoon. In this respect, I should say, it is something similar to piecework. But I see no reason why the shoemaker of England should not be as competent a man as the shoemaker in this country. He is not, however, able to complete as much in the way of finished product, because the methods over there have not been as up-to-date as our methods; that is, they have in the past used more hand labor, and, in consequence, less machine work has been done. But all of these conditions are being gradually changed to conform to those which obtain in this country.

Mr. CONNELL. May I ask the gentleman a question?

Mr. WEEKS. I yield to the gentleman.

Mr. CONNELL. The gentleman has stated that a great deal of the trade in American shoes abroad comes from Americans who travel abroad?

Mr. WEEKS. Undoubtedly.

Mr. CONNELL. I wonder if there are any statistics on that subject?

Mr. WEEKS. I do not think it would be possible to get statistics on it.

Mr. CONNELL. Is it not a fact that the average American traveling in Europe is more apt to buy the thing that is made abroad for the novelty of the thing?

Mr. WEEKS. That might be true of other articles of wear, but I do not think it would be true with respect to shoes. My little experience and the inquiries that I have made upon that subject would lead me to a directly contrary view. Americans abroad are sight-seeing and they can not take chances on wearing ill-fitting shoes.

Mr. AUSTIN. Now, I would like to ask the gentleman if it is not true that our Consular Service, our consuls abroad, have reported that since the introduction of the American machinery in the manufacture of shoes our trade in Great Britain and on the Continent has fallen off?

Mr. WEEKS. Yes; our trade is falling off in Great Britain and on some parts of the Continent.

Now, Mr. Chairman, I want to continue the third proposition which I advanced when I commenced to speak, regarding the sales of shoes abroad and here, the cost of labor, and other items which bear upon that proposition. We make in the United States 260,000,000 pairs of shoes in a year at this time. The average labor cost is $460 a year to those engaged in the manufacture. There is considerable difference in the wages paid to labor in the different sections of this country which I want to point out, not because the highest wage is paid in the State which I in part represent, but because it shows the benefit which accrues to the laboring man from increasing the output to the full capacity of a factory and locality—the advantage which comes from developing the industry to the highest possible degree of efficiency.

For instance, Brockton, in Massachusetts, is the largest shoe manufacturing point in the United States, and the highest average wage paid to shoe workers in the United States is paid in Brockton. The next largest manufacturing point in the United States, excluding one or two points in California, where a limited business is done, is Lynn, Mass., and the second highest rate of wages paid in the United States is paid in Lynn. The wages paid there are materially higher than the wages paid in most other Massachusetts cities and towns and very much higher than the average paid elsewhere in New England, and so much higher than the average paid in other parts of the country that you will see the probable advantage in developing these industries at certain points to the highest degree of efficiency.

Mr. SHERLEY. Will the gentleman permit a question?

The CHAIRMAN. Does the gentleman from Massachusetts yield to the gentleman from Kentucky?

Mr. WEEKS. I yield to the gentleman from Kentucky.

Mr. SHERLEY. The statement of the gentleman as to the rates of wages is very interesting. Does it not also show that the laborers' compensation is not entirely dependent upon the tariff, if they are getting different rates in this country?

Mr. WEEKS. I think that is true. I do not think anyone will contend, and I do not believe it has ever been contended on this floor by anybody who has ever given serious consideration to the subject, that the difference of wage paid to labor in this country and other countries depended entirely upon the tariff.

Mr. SHERLEY. The gentleman's statement as to "those who have given serious consideration to the matter" lets him out. [Laughter.] It has been stated repeatedly on this floor that the rate of wages depended on the tariff.

Mr. WEEKS. I give these figures, not to reflect in any way upon other parts of the country, but because they are interesting and should go in the RECORD.

In the Southern States the shoe industry from 1900 to 1905 increased 110 per cent. It is increasing in some of the sections of the West much more rapidly than in New England. For instance, Ohio has become the third largest shoe-manufacturing State in the Union, and Missouri has become the fourth, the industries in those States being largely centered in Columbus and Cincinnati in the one State and in St. Louis in the other. There are 3,363 people employed in this industry in the Southern States, and their wages are $897,000 a year, or about $266 each.

The average wages paid in the Atlantic States, which includes New York and Pennsylvania and Delaware and Maryland, is $423, or a little less than the average wage for the whole country. There are 30,277 people employed, and their wages are $12,802,835 a year.

The average wage for the Central States, which include the Mississippi Valley States and Ohio, where there are 35,753 people employed and their wages are $14,377,281 a year, is $402 per year. The average wage in Ohio itself, where there are 13,890 people employed and their wages are $5,222,723 a year, is $379; and in Missouri, where there are 10,428 people employed and their wages are $4,335,005 a year, it is $414. The average wage for New England, where there were 79,537 people employed and their wages were $40,462,957 for 1905, which is the year to which these figures apply, was $508. The average wage in Massachusetts for that year was $562.29.

Mr. LONGWORTH. Will the gentleman yield for a question?

The CHAIRMAN. Does the gentleman from Massachusetts yield to the gentleman from Ohio?

Mr. WEEKS. Yes.

Mr. LONGWORTH. I would like to ask the gentleman if the shoe workers themselves generally are unionized?

Mr. WEEKS. I think so; almost entirely so.

Mr. LONGWORTH. Then the statement of the President about the Shoe Workers' Union was correct—that they did voice the sentiment generally of the shoe workers?

Mr. WEEKS. Undoubtedly.

Mr. MURRAY. May I ask the gentleman whether or not it is a fact that there are two very highly organized unions in this trade, between which there is a very keen rivalry on most public questions of this sort?

Mr. WEEKS. I know there are two organizations.

Mr. MURRAY. Does the gentleman know that there is some rivalry between them?

Mr. WEEKS. On some questions there is keen rivalry, but I do not think there is any rivalry between them as to their desire to get a suitable recompense for their services. [Laughter.]

Mr. RUCKER of Missouri. Will the gentleman yield?

The CHAIRMAN. Does the gentleman yield to the gentleman from Missouri?

Mr. WEEKS. Yes.

Mr. RUCKER of Missouri. The gentleman has just stated the average wages in various sections of the country in the shoemaking business.

Mr. WEEKS. Yes.

Mr. RUCKER of Missouri. I will ask the gentleman whether that is an increase or a decrease as compared with the wages paid a few years ago?

Mr. WEEKS. That is an increase, a decided increase.

Mr. RUCKER of Missouri. Since 1890?

Mr. WEEKS. Yes; and since 1895 and 1900, too.

Mr. RUCKER of Missouri. I have some figures here which show that in the year 1900 the average wage paid throughout the country was $437.

Mr. WEEKS. I am talking about the shoe industry. I am not touching other industries now.

Mr. RUCKER of Missouri. I am talking about the shoe industry; but probably I have included some other industries in these figures. But I think these figures are prepared to cover shoes.

Mr. WEEKS. I could not answer the question if it includes other industries than shoemaking. I am not talking about other industries.

Now, Mr. Chairman, I want to make some comparisons between the wages paid to machine shoe workers in various cities of this country and abroad. For instance, the welter in six St. Louis shoe manufactories gets 41 cents an hour. In two Newark, N. J., factories he gets 67½ cents an hour, and in several Brockton factories he gets from 55 to 70 cents an hour. The Goodyear welters working on women's shoes in four Lynn, Mass., factories get 50 to 60 cents an hour; in two Brooklyn factories from 55 to 65 cents. These are sample wages which I have had looked up.

Lasters in Great Britain receive $7.75 a week. Lasters in the United States, on an average, receive $18 a week. The welter in Great Britain receives $9.35 a week. The welter in the United States receives $25 a week. The stitcher in Great Britain receives $9.37 a week. The stitcher in the United States $25 a week. The heeler in Great Britain receives $8.25 a week, and in the United States he receives $18, and in some cases a great deal more.

Mr. MARTIN of South Dakota. Will the gentleman yield?

Mr. WEEKS. Certainly.

Mr. MARTIN of South Dakota. Can the gentleman give any idea of the relative efficiency of the two kinds of labor?

Mr. WEEKS. I do not think there is any great difference in the efficiency.

Mr. SHERLEY. But can the gentleman give any actual figures of efficiency? That is a necessary factor in the case.

Mr. WEEKS. I have said that the welter in Brockton is limited to 22 dozen pairs a day. In the English factory he works a greater number of hours, but probably he does not do any more than the workman in this country, although he may work more hours. I have not the statistics to demonstrate the accuracy of that statement.

Mr. SHERLEY. Is the difference as to the price in this country due to the difference in efficiency of the workman? The gentleman has shown that there is a marked difference in the wages between different parts of this country, in some cases as much as 33 per cent.

Mr. WEEKS. Yes; but wages are different in all industries in different parts of this country.

Mr. SHERLEY. But does the gentleman say that that difference is on account of the difference in efficiency?

Mr. WEEKS. No; not entirely; but in places where business is carried on on a large scale better labor is developed, and generally better labor conditions prevail.

Mr. SHERLEY. I will say, in all fairness to the gentleman, that I am trying to get the data to show whether or not that may not also explain the difference in the price between the average American and the average English wage. If these figures are to be of value they must carry with them all the factors in the equation.

Mr. WEEKS. It is difficult to do that. If the gentleman from Kentucky were a manufacturer and he had a hundred lasters in his employ, it would be difficult for him, even in his single factory, although he might be familiar with them and their work, to determine what was their relative efficiency, and put that efficiency in figures. There would be a difference in the men and in the work they could do, and I do not see how such figures could be prepared for a section or the whole country without including the hours employed and the product finished, both of which conditions are frequently governed by agreements with the labor employed. Now, Mr. Chairman, I want to go on. The cutters in Great Britain get $8.50 a week and in this country $21.

Let me compare these with the wages on the Continent. Machine workers in France get $7.50 a week, somewhat less than the wage in Great Britain. In Germany they get $6.39 a week. The average wage in this country for similar work is three times that. The best comparison I have been able to make between the average wage in the shoe industry in European countries and this is that they get on an average 40 per cent of as much wage as our people do.

Mr. THAYER. Will the gentleman yield?

Mr. WEEKS. Yes.

Mr. THAYER. Is there any great immigration of skilled shoemakers from France to this country?

Mr. WEEKS. I think so.

Mr. THAYER. Has the gentleman any statistics on that subject?

Mr. WEEKS. I have not.

Mr. THAYER. Now, one other question on a subject the gentleman has already covered, but I had to get a statute to verify my belief. When the gentleman spoke of the beneficent operation of the United Shoe Machinery Co.——

Mr. WEEKS. I did not refer to it as "beneficent."

Mr. THAYER. That was the tenor of the gentleman's remarks.

Mr. WEEKS. I referred to it to show that it was not a monopoly.

Mr. THAYER. Did the gentleman have in mind the statute—the act of 1907, in Massachusetts, chapter 469—which was passed against this very corporation?

Mr. WEEKS. I did not have it in mind, but I am perfectly familiar with it.

Mr. THAYER. I would like to have that read.

Mr. WEEKS. I object to having it read in my time. The gentleman can put it in the RECORD in his own time, if he sees fit.

Mr. FINLEY. In referring to the wages paid those engaged in the shoe industry in England and the United States, is it not a fact that the wages paid are based upon piecework rather than by the day or week?

Mr. WEEKS. No; I do not think there is very much work done based on piecework. There is some in all industries, but I do not think that the workingman is generally inclined to adopt that basis for his agreement with his employer.

Mr. FINLEY. Has the gentleman the figures to show the amount of work turned out by the American workman in a day or a week as compared with the amount turned out by the English workman in a day or a week?

Mr. WEEKS. No; I have not.

Mr. FINLEY. Does the gentleman not think that, in order to make the comparison accurate, that should be included?

Mr. WEEKS. It would be a very difficult thing to get, because it would vary in every factory; and I do not think there are any statistics, either in this country or abroad, that would furnish the data.

Mr. FINLEY. I beg to differ with the gentleman. I have seen such statistics. I do not have them in mind at present.

Mr. WEEKS. I should be glad to have my attention called to them, because I do not know of any.

Now, I want at this point to call attention to the fact that the English Board of Trade has very recently been making some investigations in this country as to the conditions of labor and wages and the cost of living. I will print these newspaper clippings relating to the subject. Briefly, this report shows that, assuming that a man in Great Britain gets a dollar a day, the same man doing the same work in this country would get $2.30 a day, and that the cost of living in this country is 52 per cent higher than it is abroad. The report is most voluminous and is along similar lines to the instance just quoted. The following article with reference to the British Board of Trade's inquiry is from the Boston Transcript:

WAGES, OURS AND BRITAIN'S—A REVIEW OF THE BRITISH GOVERNMENT'S INQUIRY—THE EXHAUSTIVE MANNER IN WHICH THEIR INVESTIGATORS WENT INTO OUR EXCELLENT CONDITIONS—LIVING FOUND MORE COSTLY HERE, BUT WAGES MUCH HIGHER STILL—WHAT THE EXAMINERS SAW IN BOSTON—SOME STRIKING LESSONS TO US AS WELL AS TO ENGLAND IN THE FIGURES THEY PRESENT.

[By F. W. Coburn.]

The British Board of Trade's inquiry into the cost of living in American towns, the document which, with its frank admission of the better estate of American workmen, at least one Tory organ has declared to have dealt a deathblow to free trade, has just reached these shores. Press dispatches this past fortnight have told of excitement caused in the tight little island by its findings. John Bull has long hugged the delusion that while 'Arry and Hobbs were paid smaller wages than those received by working people in Brother Jonathan's realm, the situations, at least, were essentially evened up by the much higher cost of living in "the States."

Now comes the relentless statistician of the labor department of the board of trade to prove, after an exhaustive study of 28 cities of the United States, that the English workman who emigrates and successfully reestablishes himself in an American community gets wages that are about 130 per cent better than he had received, while his expenditures for food and rent are advanced only by about 52 per cent. He makes by removing his Lares and Penates.

Technically the inquiries included "the collection of statistical data as regards wages and hours of labor, rents, prices, and family expenditures on food."

It is the generalizing summaries, of course, which have disturbed British complacency. The results of the international comparison show that the ratio of the weekly wages for certain occupations in the United States and England and Wales, respectively, at the dates of the two inquiries was 243 to 100 in the building trades, 213 to 100 in the engineering trades, 246 to 100 in the printing trades, and 232 to 100 in all the trades together. Allowing for a slight advance in wages in England and Wales between the dates of the two inquiries the combined ratio would be 230 to 100.

MORE MONEY AND LESS WORK HERE.

Not only do American workmen receive much higher wages, the British investigators are obliged to admit; they work shorter hours. The weekly hours of labor on this side were found to be 11 per cent shorter in the building trades, 7 per cent shorter in the printing trades, and 6 per cent longer in the engineering trade, the combined ratio showing up as 96 to 100 in this country's favor.

As regards rent, it was found that the American workman pays a little more than twice as much as the English workman for the same sort of housing. The actual ratio is 207 to 100. The difference between the two countries is much less marked in the retail prices of food, exhibiting a ratio of 138 to 100.

Almost interminable family-budget studies lead to the conclusion, which might have been expected a priori, that "the consumption of meat is much larger in the United States, and the consumption of vegetables is also larger. The budgets indicate in general that the dietary of American working-class families is more liberal and more varied than that of corresponding families in the United Kingdom.

This monumental inquiry, one learns, was begun in February, 1909. It investigated 28 cities, all but two of them lying east of the Mississippi. These American towns were as follows:

New York.

New England towns: Boston, Brockton, Fall River, Lawrence, Lowell, and Providence.

Other eastern towns: Baltimore, Newark, Paterson, and Philadelphia.

Central towns: Cincinnati, Cleveland, Detroit, Louisville, Muncie, and Pittsburg.

Middle West towns: Chicago, Duluth, Milwaukee, Minneapolis-St. Paul, and St. Louis.

Southern towns: Atlanta, Augusta, Birmingham, Memphis, New Orleans, and Savannah.

Mr. MADDEN. Then the man who gets 130 per cent more and pays 52 per cent higher for his living cost would be 78 per cent better off?

Mr. WEEKS. Of course he would.

In the year ending June 30, 1910, the value of the imports of shoes into this country—I want you to listen to these figures, because they are rather illuminating—was $171,807. The duty on those shoes was from 10 to 15 per cent; on some of them 10 per cent, under the Payne-Aldrich bill, and on some of them 15 per cent. It averaged almost exactly 13 per cent on the total. The total duty on the goods was $22,695. The labor cost on these shoes in this country would be 22 per cent of the value of the shoes—that being the average cost for the whole of the United States.

Mr. YOUNG of Michigan. Does the gentleman mean the labor cost of the shoe itself, or the labor cost of everything going into the shoe, including the making of the shoe?

Mr. WEEKS. I mean the labor cost in making the shoe. The labor cost of the 1910 importations would be $37,685 in this country on that basis.

The labor cost abroad, figuring it at 40 per cent of our labor cost, which would be almost exactly the English board of trade figures, would be $15,074, a difference in labor cost of $22,611. Twenty-two thousand six hundred and eleven dollars is within $84 of the actual duty collected on these goods. In other words, the difference in labor cost and the duty of 13 per cent were substantially the same amount. That seems to be a scientific tariff, based on the difference between the cost of labor at home and abroad. [Laughter.]

Mr. MURRAY. May I suggest an inaccuracy that occurred to me as the gentleman went along—that the amount of duty collected was $37,000.

Mr. WEEKS. The amount of duty collected was $22,695. I read the wrong figures.

Mr. FITZGERALD. The gentleman has stated these figures demonstrated that this is a scientific tariff. It is not in accordance with the Republican platform, is it, because it eliminates a reasonable profit to the manufacturer?

Mr. WEEKS. I added a scientific tariff, based on the difference in the cost of labor abroad and at home.

Mr. FITZGERALD. But the gentleman does not take any credit for a tariff of that character.

Mr. WEEKS. We take all the credit we can get. [Laughter.]

Mr. COX of Ohio. Mr. Chairman, with further reference to a comparison of wages at home and abroad, I should like to ask my colleague whether it is not true that under the German regulation, which compelled the American manufacturer to maintain his plant on German soil in order to keep his patent rights, he operated there and sold in the German market, and was not compelled, in consequence, to pay the German tariff.

Mr. WEEKS. That is my impression, though I am not sure.

Mr. COX of Ohio. Now, further than that, about a year ago the Commissioner of Patents and the Secretary of State, at the behest of business interests in this country, induced Germany to give up that regulation. Is that not true?

Mr. WEEKS. I think that was given up about two years ago.

Mr. COX of Ohio. Is it not true that it was given up at the behest of American manufacturers?

Mr. WEEKS. I do not know at whose behest or for what reason, but the Germans do now impose a tariff upon our manufactured goods which would offset the difference.

Mr. COX of Ohio. Is it not a matter of historic truth that the change was brought about by the intercession of our Commissioner of Patents and the Secretary of State?

Mr. WEEKS. I do not know about that.

Mr. COX of Ohio. And, further, because the American manufacturer so desired.

Mr. WEEKS. I am willing that should go as a statement of the gentleman from Ohio, which I have not investigated.

Mr. COX of Ohio. Well, it is correct, absolutely. And the point is this—if the alleged cheap help made possible cheaper products abroad, then why do American manufacturers ask Germany to remove the patent regulation in order that the American plants can be brought home?

Mr. WEEKS. Mr. Chairman, the only case in point which bears on the subject which I am discussing is the United Shoe Machinery Co., which was manufacturing in Germany before this change was made. Now, I want to call to the attention of the committee the fact that we are actually receiving in

this country English shoes. I would like to have the members of the committee look at these shoes which I have here on my desk, from which they can determine whether they think the Englishman can make good-looking shoes. These are all English shoes, made either in Nottingham or Leicester. They are offered for sale in Boston and quite likely in other parts of the country.

I am informed that these or similar shoes are being contracted for by the Kendall Co., of Kansas City, and by other shoe jobbers. It was stated in the Boot and Shoe Recorder of April 26 that five English drummers have been offering English shoes in Boston, and a Leicester man told me only yesterday that a Leicester manufacturer had received an order from the United States for 5,000 pairs of English shoes a week based on samples he submitted, but that his factory was not large enough to warrant his filling it, though he could ship a part of his supply to this country and make money at the price offered. The increase in the shipment of English shoes to this country, while not large in the years 1908, 1909, and 1910, will be a considerable factor this year.

If the second half of the year shows the same rate of increase as did the first half, the importations will amount to $660,000 or $670,000 for the year. It is reported that Sears, Roebuck & Co., a large distributing house in Chicago, have recently placed abroad an order for 300,000 pairs of women's cheap shoes, shoes which take the place of those manufactured in this country. Before making the proposed reduction in the duty on shoes, Congress should give careful consideration to the views expressed by our competitors when the duty was reduced in 1908. The Boot and Shoe Trades Journal, of London, of August 27, 1909, in an editorial stated, among other things:

When we come to the higher grades our advantages are even more pronounced and our prospects more pleasing. Our 12s. 6d. and 13s. lines compare to a distinct advantage with the $4 shoe of America, whilst, in addition, we can give an English oak sole by the side of a red or union-tanned sole of American manufacture. There is no comparison in the wear or in the shape-retaining qualities of the two articles. In the cheaper-class goods, and particularly in boys' and girls' school boots, we can beat our rivals hand over fist. They have made a big mistake in reducing their duties on footwear. As we have said, not a solitary American shoe was ever sold here in consequence of its cheapness, but because of its novelty and its better fitting qualities. But our friends across the "pond" have no longer these monopolies. We have carefully copied all these good points and married them to the undoubted advantages we have always possessed, namely, better work, more durable work, and better sole leather. We have the best of their machinery, and we have some which they have not got, and, what is more, we know how to make use of our advantages. It is for these reasons that our shoes are superior and cheaper.

Mr. MARTIN of South Dakota. Will the gentleman permit a question?

Mr. WEEKS. Yes.

Mr. MARTIN of South Dakota. Did I correctly understand the gentleman to say that the amount of shoes imported from England for 1910 approximated $178,000?

Mr. WEEKS. One hundred and seventy-one thousand dollars.

Mr. MARTIN of South Dakota. Can the gentleman inform the committee, approximately, what exportations of American shoes to Great Britain took place in the same year, 1910?

Mr. WEEKS. Yes; I can do that. Mr. Chairman (after searching), I have mixed my figures so I can not find those which would furnish a reply to this inquiry, but I will say that the shipment of shoes to Great Britain from the United States decreased from 1909 to 1910.

Mr. LONGWORTH. If the gentleman will permit, I think I can give the figures. The exportations to England from this country for 1909 were $998,762 worth and in 1910, $799,153 worth, a loss of about $200,000.

Mr. WEEKS. I stated early in my remarks that the increase of shipments of shoes from this country was to Cuba, Mexico, and Canada, and the continental part of Europe, and the trade to Great Britain has fallen off.

Mr. LONGWORTH. Will the gentleman permit another interruption, and that is to say, that a very few years ago we had a large business with Australia.

Mr. WEEKS. Yes.

Mr. LONGWORTH. And that is absolutely cut off by the duty of 30 per cent?

Mr. WEEKS. I would like to refer to that right here, to say the duty is 40 per cent, not 30. Here is something that happened in Australia within two weeks. They have a wage board in Australia, which has recently increased the rate of wages to be paid to shoe workers with this result.

I take my information from a report made by Vice Consul General Baker in Consular and Trade Reports, April 1, 1911:

AUSTRALIAN BOOT AND SHOE INDUSTRY.

With reference to the Australian boot and shoe trade, the increasing difficulty, as appears, of Australian boot and shoe manufacturers in competing with imported goods, owing to increased cost of wages, has resulted since the first of this year in one Melbourne factory, with a capacity of 5,000 pairs of boots, being closed down, while all the factories engaged in the trade are suffering and have decreased their output.

The benefit to employees from increased wages as ordered by the wages boards seems to be offset by decreased work for them to do, many men having been recently laid off. On February 1 a mass meeting of those engaged in the industry was held at Melbourne, at which it was suggested that the Government should be requested to increase the duty on imported boots and shoes to about 70 per cent. One of the leading manufacturers said at this meeting that, owing to the rise in the wages, the manufacturers had to make a slight advance in the price of footwear and that opened the door to the foreigner. They had imports in 1909 of $1,372,000 worth of shoes and in 1910 $1,747,000 worth, an increase of $375,000 in one year. They had to compete against the wages paid in England and other parts, and to meet labor conditions, which led to 26s. ($6.33) being paid for 53 hours' work. When the wages were fixed at £2 2s. ($10.22) the manufacturers paid 10d. (20 cents) per pound for their "crop." To-day they find that the commodity has gone up to 1s. 3d. (30 cents) per pound. Wages had increased from £2 ($9.73) to £2 14s. ($13.14). Several of their factories were closed and others were only working half time, and manufacturers were obliged to lose some of their best men.

Now, I want to call attention to the duties which are imposed by other countries on our footwear. In Canada the duty has recently been raised to 30 per cent; in Mexico it is from 30 cents to $1.50 a pair; in France, under the new tariff, it has been recently raised from 50 to 95 cents a pair; in Germany it is 20 per cent and averages about 25 cents a pair; in Belgium it is 27 cents a pound; in Russia it is $1 a pound; in Spain it is $1.10 a pound; in Japan it is 40 per cent; in Argentina it is 40 per cent; and so on through the list. Every country with which we are doing any considerable business imposes a tariff on our footwear, while we are proposing to give up the policy which we have been consistently following since the organization of this Government in putting our footwear and our shoemakers on a free-trade basis.

I have been asked some questions as to the reason why we have an increase in the cost of shoes in this country. Mr. Charles H. Jones, to whom I have referred several times, stated recently before a committee on the cost of living:

I have no suggestions to offer the committee as to how the American shoe can be brought to the consumer on a lower basis of price. The $3.50 shoe costs the factory approximately $2.30. Selling, office expense, and the ordinary advertising necessary in any modern business bring the cost up to at least $2.50, and frequently $2.55, leaving but a narrow margin of profit for the manufacturer, who is obliged to sell the shoe for $2.60 or less. The retailer, who pays $2.60 for a $3.50 shoe, has practically no profit at all for himself. His cost of doing business is approximately 30 per cent, so that a man's $3.50 shoe, which is naturally a leader in the hands of the average retailer, contributes nothing at all to his profit.

If this statement is correct, a man's $3.50 shoe, which is naturally a leader in the hands of the retailer, contributes nothing at all to the retailer's profits.

Mr. Jones goes on to say that the increase in the cost of these shoes is based on the increase in cost of almost everything which goes into the shoe, including the cost of the lasts, the boxes in which the shoes are shipped, the cost of selling, maintaining more drummers on the road and paying them higher wages, the cost of labor and the cost of material, an increase which necessitates the selling of what was formerly a $3.50 shoe at $4 or $4.50 a pair.

The opposition to this legislation does not come entirely from the manufacturer; it comes from labor, and especially that labor directly interested in the industry. As an indication of labor's position I quote from a letter written by John F. Tobin, general president of the Boot and Shoe Workers' Union, April 26, 1911:

The greater efficiency of labor in the shoe industry in the United States, as against any foreign country, is not sufficient to offset the lower standard of living in all foreign countries as compared with the United States, notwithstanding the cheaper labor prices which prevail in foreign countries. To put shoes and finished leather on the free list, or to in any way reduce the present tariff, would compel American shoe manufacturers to meet foreign competition through the only avenue open to them, namely, to attack the wages of the shoe workers and thereby bring about a standard of wages lower than at present exists, which would result in industrial warfare and no doubt eventually establish the lower standard of wages, consequently the lower standard of living.

Mr. BURKE of South Dakota. Will the gentleman permit a question?

Mr. WEEKS. Yes.

Mr. BURKE of South Dakota. Would not the same argument apply to the bill pased a few days ago, known as the Canadian reciprocity bill?

Mr. WEEKS. I want to say to the gentleman from South Dakota that I have stated, I think, three times that I am trying to discuss the shoe industry, and I am stating to him and the other members of this committee what I think that industry is entitled to. I do not say that all other industries or all other classes are getting what they are entitled to, more or less. We might agree and we might disagree as to that, but now I am trying to prove to him that the shoe industry and the shoe worker are entitled to all the protection now being given them.

Mr. BURKE of South Dakota. Can the gentleman give the committee some information as to the condition of the shoe industry, as to how it is prospering, and whether or not it is making large profits or merely reasonable profits?

Mr. WEEKS. I can give the gentleman from South Dakota briefly some information on that subject. It is a good industry; and, like all others, perhaps to a greater extent than in most other cases, it depends on the skill of the management and the volume of the business. The probable average profit made by the best shoemakers, by Mr. Keith and others, is about 8 cents a pair. Mr. Jones and Mr. Keith have both testified recently that the average profit which they made was about 8 cents a pair. But the profit on coarse or low-priced goods is very much less than that. It is not more than about 3 or 4 cents a pair. I very much doubt if you will find any shoes on which the manufacturing profit is more than 10 cents a pair.

Mr. MARTIN of South Dakota. Can the gentleman give any information as to the probable cost on the capital invested in that line of industry?

Mr. WEEKS. I can not do it, because I have not the figures segregating the selling cost from the profit, after taking out the cost of material, the cost of labor, the cost of machinery, and the cost of salaries.

Mr. MARTIN of South Dakota. Of course, the vital thing the committee would like information upon, if we are to be informed about the industry, is what percentage he makes upon his capital.

Mr. WEEKS. I think the industry is making about 8 cents a pair on shoes.

Mr. MARTIN of South Dakota. Of course, that throws no light on whether it is profitable or not profitable.

Mr. WEEKS. It throws some light on it, because the capital invested is about $125,000,000; 8 cents a pair would be about $20,000,000. So that would indicate that the gross profit, after taking out the cost of selling, is 16 or 18 per cent; but this does not allow for the capital invested in machinery, which is leased, and it probably does not adequately cover the cost or the value of real estate, which in such an industry is usually carried at a very low figure. These charges would greatly reduce the net income.

Mr. BOWMAN. Has the gentleman considered the competition that would come from the surplus, in view of the fact that it has been stated on the floor of this House that manufactories are being established at Helsingfors, in Finland, and in other European countries, fully equipped with American machinery and supplied with American lasts, so that in case of depression in trade, when they would carry large stocks of goods, those stocks might be thrown in here, and thus demoralize the business of this country?

Mr. WEEKS. I have not referred to that because I have not had time to, but I will say that that is an element which ought to be considered. If you are going to remove the duty from shoes, we will become the dumping ground of the surplus of all the manufacturing establishments of the world. Whenever they have a surplus on hand, they will dump that surplus into this country at whatever price they can get.

That is a question frequently discussed here, whether American manufacturers are justified in selling abroad lower than the normal price at home. That is frequently done by the manufacturers of all countries. It is done because by so doing the manufacturer can maintain his establishment at the highest state of efficiency, can keep his labor employed all the time, and it enables him to sell closer than would be the case if he were obliged to run, making a reduced output. Many industries are not profitably run at 75 per cent of their full capacity, when they would be very profitably run at full capacity, even if the output were sold in both cases at the same price.

Mr. SIMS. As an illustration, I can suggest to the gentleman a case that all will appreciate. When the Payne-Aldrich bill was enacted, taking the duty off hides, putting hides on the free list, and reducing the duties on shoes and leather, it was predicted that the price of shoes would go down. Now, I use the Stacey-Adams shoe, and have worn that make of shoes for a number of years, and a few months after the Payne-Aldrich tariff went into effect I went down town to the shoe store that I patronize to get a pair of those shoes and the firm charged me more for a pair of the same shoes than before. The price was higher than when the Payne bill was passed, and this gentleman told me they had not increased their profit at all, but that the shoes cost them more.

Mr. WEEKS. I have spoken of that, and I have gone into some detail to show why shoes are now costing more than they cost five years ago. But I want to ask the gentleman if he is sure he got a Stacey-Adams shoe?

Mr. SIMS. Yes. I have got them on now, and they are subject to the gentleman's inspection. [Laughter.] They said they would either have to increase the price of the shoes or reduce the quality of the material that entered into their manufacture, and they had chosen the former.

Mr. WEEKS. The gentleman should always be sure that he sees the stamp of the manufacturer on the shoe, then he will be likely to get a better article.

Mr. SIMS. I have worn that kind of shoe for 14 years.

Mr. J. M. C. SMITH. I will suggest to the gentleman that he might have bought the shoes from different retailers, and that point should be taken into consideration when commenting on a difference in price.

Mr. WEEKS. Gentlemen on the other side have repeatedly said during this debate that it was up to this side of the House to show why these duties ought not to be removed—why shoes should not be put on the free list, for instance. This is a great industry, employing a large capital and nearly 175,000 persons; some substantial reason should be advanced why a change should be made rather than propose the change and ask those interested in the industry or believers in the protective policy to prove that it is unwise. It would be just as logical for the Government to arrest a man and say to him, "Unless you can prove that throughout your entire life you have been innocent, you are guilty." The obvious method of procedure would have been for the Ways and Means Committee to have given shoe manufacturers and shoe workers a chance to answer this question and to show why the change should not be made. Instead of that, the majority has proceeded without any consideration, has agreed in a caucus to support the bill, without amendment, and it is impossible to believe that this attempt at legislation is not mere buncombe, intended to delude those in whose benefit it is supposed to be passed, if, indeed, it is passed at all. It is not information the other side wants; it is material to use in a coming political campaign; so if the evidence which I have tried to submit, bearing on this question, assists in showing the folly of proceeding in such a manner as has the majority in this case, I shall not consider the time wasted, although I have taken much more of the time of the committee than I intended. [Prolonged applause on the Republican side.]

Mr. UNDERWOOD. Mr. Chairman, I yield one hour to the gentleman from Illinois [Mr. GRAHAM].

The CHAIRMAN. The gentleman from Illinois [Mr. GRAHAM] is recognized for one hour.

Mr. GRAHAM. Mr. Chairman, when the Canadian reciprocity bill was before the House I voted for it, not because I thought it entirely satisfactory, but because I thought it was the beginning of a good work—a first step in the right direction—and I felt that when the Representatives of the people had once put their hands to the plow they would not turn back, and that they would surely take additional steps in the same direction.

Many of the ablest advocates of a tariff for protection were wise enough to see the true meaning of it and frank enough to admit that their opposition to it was largely on the ground that it was an assault on the system of protection, and, so believing, they fought it with every weapon available.

The gentleman from Pennsylvania [Mr. DALZELL] well expressed their views when he said that the reciprocity bill "was an abandonment of the protective policy."

The same thought is expressed in the report of the minority members of the Ways and Means Committee. They say:

> If this bill becomes a law it will mark the downfall of the protective system.

Other eminent gentlemen on the floor of the House, distinguished for their devotion to protection, have given expression to similar sentiments. These gentlemen did not, however, make their fight against the bill on that line.

Their arguments were not a direct defense of the policy of protection, which they admit this bill puts in jeopardy. They attempted, rather, to base their defense on the theory that the bill is an attack on the farmers of America, and they appealed to the agricultural interests and sought to enlist them on their side. Scarcely a word was said during the debate in defense of the American lumber interests, although the bill would undoubtedly reduce the price of lumber. Not a word was heard in defense of the Paper Trust, although, beyond question, its monopoly would be injured, if not destroyed, should the bill become a law. Other big interests which were involved had no open defenders on the floor, and the whole plan of defense seemed to be based on the supposed injury which would result to the American farmer. Why this silence as to the other interests? Why were there no voices raised bewailing the loss to the Paper Trust or the lumber barons? And why such sudden

solicitude for the farmers? Is it unreasonable to conclude that their volunteer defenders were trying to make a rampart of the farmers from behind which they might defend other interests that have been plundering the people far too long? [Applause on the Democratic side.]

Some light is shed on the matter by Circular No. 271, sent out in opposition to the reciprocity bill by Mr. Wakeman, secretary and treasurer of the American Protective Tariff League. I quote the latter part of it. Speaking of the reciprocity bill, he says:

It aims at a reduction of prices of such "necessaries" of life as the farmer has to sell, but provides for no reduction of prices for the "necessaries" the farmer has to buy.

Protection can not endure upon a basis so entirely unjust and unfair. It must be for all, or it will be for none.

Once the American farmer finds that protection is not for him, the end of protection will quickly come.

Ten million votes are cast by American farmers. Kindly write or wire your Senator or Representative in Congress in opposition to the treaty.

We inclose copy of Words of Good Cheer, giving the names of all Senators and Representatives who should be addressed in this connection.

Very truly, yours, W. F. WAKEMAN,
*Treasurer and General Secretary.*

NEW YORK, *February 6, 1911.*

One of his objections, you will notice, is that the bill provides no reduction of prices—that is, no reduction of tariff—on what the farmer has to buy. Well, he can rest easy, for we are now ready to correct that defect and reduce the price of what he has to buy, and I hope Mr. Wakeman will be satisfied. He lets the cat out of the bag, however, when he tells us that "10,000,000 votes are cast by the American farmers," and that "once the American farmer finds that protection is not for him, the end of protection will quickly come."

Evidently the secretary of the Protective Tariff League looks on the farmer as a convenience, and the inference that some other advocates of protection take a similar view is not a violent one.

One would think, from the arguments of those opposed to the reciprocity bill, that the protective system had been originally devised, and is still maintained, for the sole and especial benefit of the farmers. I want to enter my emphatic dissent from such a view, and to assert that, on the contrary, this unfair and unreasonable system of levying and collecting taxes from the people for the benefit of favored classes has steadily robbed the farmer, and it would be a great blessing for him should Congress wipe out the whole protective system. Of course it would not be the part of practical wisdom to wipe it out at one stroke. We have had it with us so long that we have grown accustomed to it; our business transactions are based upon it; we have had to buy and sell with reference to it. During the 50 years it has been in existence it has become ingrained and interwoven in our business affairs to such an extent that it is now a fact, a condition, which, as sensible men, we must recognize. And we must deal with it in such a way as to create the least practical amount of business disturbance. There is a law of inertia in business as well as in physics, and we are bound to recognize that law and not move with undue haste, even in a good cause.

I remember reading somewhere that the girls employed in the arsenic mills in Austria-Hungary eat small quantities of that drug, because it gives to their complexions a delicate and much-desired tint. Little by little they increase the amount taken until, after long use, they are able to take with impunity a quantity that would kill an ordinary individual not accustomed to it. Of course the habit, if persisted in, finally causes death. But the strange thing about it is that if the victim suddenly ceases to use it she becomes violently ill and exhibits all the symptoms of arsenic poisoning. Hence to effect a cure of the habit the quantity taken must be gradually reduced until it can be finally dropped altogether. As it is with the arsenic eaters, so it is with our protected industries.

After the protection habit was formed it was necessary to keep increasing the dose, the recipients of the plunder always finding a pretext for the increase. First, they said that our infant industries needed wet nursing. Then they said we had to protect American labor from competition with the pauper labor of Europe. Then they insisted on protection for the American farmer. He must be protected, forsooth, by preventing the importation of articles which he is constantly exporting and selling in the open markets of the world and in competition with all the world. And, finally, they said we must have protection to guarantee the manufacturer a reasonable profit on his business. Having been practically driven from all these positions, they are now resorting to the familiar device of an armistice in order to gain time for the invention of some new pretext. [Applause on the Democratic side.]

Their proposition is to create a tariff commission, which is to perform the impracticable, if not impossible, feat of ascertaining the difference in the actual cost of producing manufactured articles at home and abroad. In this they doubtless console themselves with the hope that the commission will not make a report until they can discover some new sophism with which to deceive the people into the belief that they can increase their prosperity by taxing themselves; and I am inclined to think they would not regret it much if the commission did not report till Gabriel was about ready to sound a blast on that historic trumpet. [Applause and laughter on the Democratic side.]

The advocates of protection are both shrewd and able. Persistent opposition has driven them together, has welded them into a solid and homogeneous mass, where they have been unitedly working, each for all, and all for each. They realized the force of Franklin's remark, and they have learned to hang together to keep from hanging separately.

In its earlier days its advocates justified protection on the ground that capital paid better in agricultural pursuits than in manufacturing, and they insisted that it was the duty of the Government to so frame the laws as to enable the manufacturers to make the price of their goods artificially high, so as to induce capital to leave the farms and go into manufacturing enterprises.

The raising of revenue from duties on imports is and has been practiced by all Governments, and is legitimate, because the money so collected is used for public purposes, and these duties are frequently levied on such articles, and in such a way, as to partially shield the home manufacturer of them from competition, thus giving him a limited and incidental advantage. But the theory of protection goes much further than this. It calls for the erection of practically impassible barriers against the wares of foreign manufacturers, leaving the American consumer entirely at the mercy of the American manufacturer. This stage of protection was reached only by slow degrees. Before the Civil War our tariffs were comparatively low, but the necessity for revenue during that struggle demanded an increase in customhouse taxes, and these taxes added to the foreign cost resulted in prices so high as to greatly stimulate investments in manufacturing enterprises.

Having tasted of the sweets of high prices and big profits those who enjoyed them were not satisfied to give them up when the war was over. But as the Government's need of money grew less, and it was proposed to reduce the customhouse taxes, those who enjoyed the benefit of war prices had to devise some new reason for the continuance of a high-tariff policy. Then it was they raised a cry for the necessity of protecting our infant industries, and they succeeded in getting the people to credit them. But the infant grew to adult size, became a great big, overgrown, selfish mollycoddle, who seemed to think consumers were created for his especial benefit. He bawled as if he were being crucified if a boy half his size made a face at him, and he had an attack of hysteria if asked to enter into any kind of competition. He wanted pap, and then more pap, all the time, and he wanted it brought to him at that, and because he never had to exert his strength he did not really know what he was capable of and lived in constant fear. The gentleman from Connecticut [Mr. HILL] told us the other day that the fear of the Wilson bill brought on a business panic nearly two years before the bill passed.

If the gentleman was right, it proves how timid and hysterical and brash those industries are which rest on protection. Of course I do not agree with the gentleman as to the fact. I think protection has borne two legitimate children. It is, as Mr. Havemeyer said, the legitimate mother of trusts, and it is also the legitimate mother of panics. [Applause on the Democratic side.]

I might concede that there was a time when protection stimulated manufacturing enterprises, but stimulation, when excessive, is always followed, first by exhilaration and then by depression and prostration, and these panics are but "the cold, gray dawn of the morning after." [Laughter and applause on the Democratic side.]

The "infant-industries" theory finally grew to be a national joke and had to be abandoned. A new watchword had to be found, and the infant was pushed behind the curtain, where he was kept temporarily out of sight but by no means out of mind. Its beneficiaries then insisted that protection was not for the benefit of the infant prodigy at all; that the real purpose of it had always been to protect the American laboring man against competition with the pauper labor of Europe. "We can not bear it," said the beneficiaries of protection at election time; "it makes our hearts bleed to see the American laboring men competing with the pauper labor of Europe." And the laboring men heard them and believed; and on this cry, aided by unpatriotic

appeals to passions engendered during the Civil War, protection again triumphed at the polls. But when the workingman, after the victory, insisted on getting his share of the protection pap in the form of higher wages, he was coldly ignored. Protection emissaries went to Europe and brought what they had been calling "pauper labor" right to the door of the American workingman to compete with him at close range and thus keep wages down, regardless of campaign promises. The workingman soon saw that if his wages were to be increased he must attend to the matter himself. He then went to work organizing labor unions, and in that work he had to overcome bitter opposition from those protected interests which pretended such solicitude for his welfare. [Applause on the Democratic side.]

Another and a favorite argument of the protection advocates has been that by making the price of the manufactured articles high capital would be induced to invest in manufacturing industries; that then men with money to spare would invest it in manufacturing; that this would make competition keen, and thus bring about lower prices. Thus we were told that the protection policy might at first mean high prices, but that it would eventually make low prices by means of this competition. You may believe, if you can, that the party of protection really favored a policy because it would result in low prices for their wares. I must be shown. I am from near Missouri. [Laughter.]

That they were not sincere in it is fairly well indicated by their last platform declaration, which proposes to make the American people guarantee reasonable profits to the manufacturers, and that, too, regardless of the conditions ordinarily required to secure success in business; and leaving it entirely to the interested party to judge his own case and determine what is a reasonable profit. Do you imagine the beneficiaries of such a platform declaration when enacted into law would permit their modesty to interfere with their profits?

I would not assert that when they were urging the theory that lower prices would be reached through the protection policy they foresaw what did actually happen, but I will say that I think they did not really want low prices for their wares, and that they may have seen, and probably did see, that some way would be found to prevent the advent of low prices and only reasonable profits.

We now know that the promise, whether sincerely made or not, proved vain and empty. When the time came for the low prices through competition, those who made the promises organized trusts and other combinations to prevent the performance of their own promises. Protection prevented competition from without, and there could be little or none from within, new manufacturing enterprises being practically impossible, as no one would have the temerity to start a new business concern in the face of trust opposition, which would surely destroy his business by underselling well knowing that when it was destroyed they would get their money back from the customers by overcharging.

It is scarcely necessary now to call attention to another catch phrase long urged by the protectionists, namely, that the foreigner pays the tariff tax. I mention it, not to refute it—that would be waste of time—but rather to show their ingenuity, to show how prolific they have been in the invention of deceptive phrases. Driven from one position to another, I indulge the hope that they reached their last ditch when they proclaimed that the law should guarantee a reasonable profit to the manufacturer. No conditions are imposed, no qualifications provided. The investment may have been a foolish one; the machinery may be out of date, the business may be mismanaged, the capital stock may be inflated; 50, or 100, or even 200 per cent of water may have been pumped into the stock, as appears to have been done in the case of the Steel Trust, but still, according to the platform promise, the concern is entitled to a reasonable profit, and the interested parties are to decide what constitutes such a profit. Such a platform promise was at least well calculated to make the beneficiaries of protection open up their hearts and purses to those who made the promise, nor could they forget that past legislative performances justified them in accepting the offer at its face value. Surely those who made the promise must have been in great need of something with which those to whom they made it could supply them.

In the not very remote past it is generally believed that they contributed to the campaign funds of the protection party sums which could not have been expended legitimately, and they doubtless did it in the belief that the party would later on confer further legislative favors which would enable them to reimburse themselves from the general public, with liberal interest.

But the people disapproved of their policies and practices last November, and declared in favor of a real revision of the tariff downward, and they gave the Democrats a commission to make the necessary reductions.

I realize that the execution of that commission is a serious task. It is like a difficult but necessary surgical operation; it has to be done, but no matter how skillfully it is done it will hurt. In attacking intrenched privilege and wrong those making the attack must begin not where they would, but where they can. The necessity for beginning somewhere has been recognized by President Taft, who is a protectionist, and by many other prominent Republicans who are also protectionists. They prepared and proposed the Canadian reciprocity measure, and we carried it through the House. Again I say I think it is lame and insufficient if we stop with it. But why should we stop with it?

This first short step was proposed by a Republican President and supported by many Republican Representatives, and, little as it is, we Democrats would, in the face of our former declarations, be guilty of insincerity and political cowardice had we refused to take it. Having already taken it, we are now about to make further progress, to take the next step, and pass the Farmers' Free-List Bill.

I am not one of those who think that other and additional steps toward tariff reform will be prevented by another branch of the Congress or by the President. I assume that they will do their duty in the premises and join with us in giving the people the relief which they demand and need so much. But if they do prevent progress in that direction, they will surely have to answer to the people for it.

I feel reasonably sure that the President and those Republicans who voted for reciprocity are too wise and too clear-sighted not to see that a corresponding reduction of the more oppressive schedules is absolutely necessary for the relief of the public in general and of the farmers in particular.

Such revision could be made without particular disturbance or shock to business if certain professional protectionist calamity howlers would cease trying to save the protection graft by predicting all sorts of disasters in case any of it is taken from them. So good a protectionist as the editor of the Iron Age admits this to be true. He said, editorially, on December 22, 1910:

> The country generally has not felt seriously alarmed over the possibility that some of the schedules might be taken up separately and lower duties named on articles therein classified. This is a matter which was not thought to be specially disturbing, although it would, of course, retard trade for a time in the commodities on which new duties were under consideration.

And, again, he says:

> No general tariff revision is desired by the great majority of the people. The revision of a very few schedules of the present tariff is all that should be attempted.

You see, he admits that some schedules should be revised. And then he adds:

> The country imperatively needs a rest from governmental interference with business.

He wants "a rest from governmental interference"! Now, what do you think of that? The Government for 40 years has been legislating in the interest of a class. It has compelled and is still compelling millions of its citizens, through protection legislation, to pay tribute to that small class which the Iron Age represents. And look at the results.

We boast of our great national wealth, now rated at $125,000,000,000. Where is this wealth? Who has it? The great bulk of it has been gathered into comparatively few hands, and largely through tariff laws which, in my judgment, have prostituted the taxing power of the Government, by using it to make millions of our citizens pay tribute to a favored few.

This is well illustrated by a condition in the line of business which the Iron Age represents.

It is said when the 24 directors of the Steel Trust sit down to their table the owners of one-twelfth of the wealth of the United States occupy the chairs. This is further illustrated by the fact that 1 per cent of the American people own more property than the other 99 per cent, while five and one-half million American families, or 44 per cent of our people, own an average of only $150 per family.

The protection laws which are largely responsible for these conditions are still in force. The people still suffer from them.

But the Iron Age thinks we tamper with these laws too much, and that the country needs a rest; which, I suppose, means that the victims of protection should not grumble while the favored class is collecting its tribute from them. How kind and how good of the Iron Age. Speaking for that favored class he says, in effect, "All we want is to be let alone"; but in the meantime, like the daughter of the horseleech, they keep on crying "give, give." [Applause on the Democratic side.]

But how about the victims? Do you not think they would be willing to put up with a little temporary inconvenience in order to be permanently relieved of a burden which has become well-nigh intolerable?

Of all those who have suffered from tariff exactions none have suffered more than the farmers. None have given more or gotten less through protection than they have. It is said by gentlemen that putting agricultural implements on the free list will not give them any relief; that they can now buy agricultural implements cheaper than they can be bought in any other country. That argument, as the poet said of vaulting ambition—

O'erleaps itself and falls on the other side.

If they can buy such implements cheaper here than anywhere else, what objection can there be to putting agricultural implements on the free list? But can they buy them cheaper here? I think the evidence is the other way. The manufacturers admitted a few years ago that they were selling their goods cheaper abroad than at home, and explained by saying they did so in order to keep their employees at work. I am glad that I can admit the fact without being compelled to accept their explanation of it. I prefer to take the view expressed by the late Mr. John Hay, Secretary of State. In an address made not long before his death, he said:

> We are building locomotives for railways in Europe, Asia, and Africa. Our bridges can be built in America, ferried across the Atlantic, transported up the Nile, and flung across a river in the Sudan in less time than any European nation, with a start of 4,000 miles, can do the work. We sell ironware in Birmingham, carpets in Kiderminster; we pipe sewers of Scotch cities; our bicycles distance all competitors on the Continent; Ohio sends watch cases to Geneva. All this is of advantage to all parties; there is no sentiment in it. They buy our wares because we make them better and at lower cost than other people.

According to him, they did sell abroad cheaper than at home. They could not compel foreigners to pay such exorbitant prices as our protection laws enabled them to exact from the home folk.

Mr. Bridgman, in his book, The Passing of the Tariff, published in 1909, says:

> The policy of underselling to foreigners has become a recognized practice on the part of the protected manufacturers of the United States, secret if possible, but followed constantly, whether secret or open.

Dr. Charles W. Elliott, late of Harvard, in an address made in September, 1908, said:

> That the tariff is not necessary to the maintenance of American wages or American standards of living appears clearly from the common practice of selling American goods in foreign countries at much lower prices than they are sold in the United States, and yet at a profit.

And he significantly adds:

> If the American people mean to maintain their individual liberty in industries, trades, commerce, and politics, they must steadily defend themselves against monopolies.

At its meeting in Hartford, Conn., in November, 1907, the National Grange passed a series of resolutions condemning American manufacturers for selling their goods cheaper in foreign countries than at home, at the expense of American agriculture, and recommending that every article so sold be put upon the free list.

There is scarcely a limit to the evidence which could be collected to show that gentlemen were in error in asserting that the American farmers got their implements cheaper than those of any other country, but I will content myself with adding a list of the home and foreign prices of American-made articles in common use, in all of which the farmer is interested:

| Article. | Home price. | Price sold at abroad. |
|---|---|---|
| Cultivators | $11.00 | $8.40 |
| Plows | 14.00 | 12.60 |
| Axes ... dozen | 8.25 | 7.20 |
| Kettles | 1.40 | .85 |
| Table knives ... gross | 15.00 | 12.00 |
| Horseshoe nails | 3.00 | [1] 2.00 |
| Barbed wire | 3.00 | [1] 2.00 |
| Cut rivets | 10.00 | [1] 5.55 |
| Typewriters | 100.00 | 60.00 |
| Sewing machines: | | |
| Fine | 27.50 | 20.75 |
| Medium | 22.00 | 17.50 |
| Cheap | 18.00 | 12.00 |
| Steel rails | 28.00 | [2] 23.00 |

[1] Per hundredweight. [2] Per long ton.

Our protection friends are great admirers of that form of sophism known as "the false cause."

When two things which might be related are found together, this method of reasoning assumes that they bear the relation of cause and effect. We have a high protective tariff, this alleged argument runs, and our farmers are prosperous, hence the high tariff caused their prosperity. Or this: We have protection and we have high wages, hence protection makes wages high. By a parity of reasoning I might say they have cyclones in Kansas; the farmers of Kansas are prosperous, hence cyclones cause prosperity. Or thus: We have a great many schools and churches in this country; we also have a great many divorces, hence the schools and churches are the cause of the divorces. And all of these arguments are equally sound, which means they are all unsound.

Mr. CONNELL. Will the gentleman yield?

The CHAIRMAN. Does the gentleman from Illinois yield to the gentleman from New York?

Mr. GRAHAM. I do.

Mr. CONNELL. I would like to ask the gentleman from Illinois if this is not a good place in his speech to elucidate a fact that the gentlemen on the other side of the aisle have evidently forgotten, a very important argument in bringing their case forward, which is that there is six weeks' delay in the coming of spring here in the District of Columbia, which may be figured as being due to this Democratic Congress?

Mr. GRAHAM. It is the tariff agitation here, of course, which did it. There can be no other adequate reason for it. [Laughter.] According to the logic of the protectionists, the two things being found together must bear the relation of cause and effect. [Laughter.]

Our prosperity is due to other causes than high tariff. The prosperity of the farmer, when he is prosperous, is largely due to the quantity of fertile land in this country adapted to the use of the best farming methods. The farms of the West average 386 acres. In France they average less than 20 acres. Our land in the West at least is comparatively new, and very fertile, and if the farmer has accumulated a little wealth it is largely due to the fact that increasing population has added to the value of his land. Cheap, fertile land and plenty of it has been the principal cause of our great growth, aided by the profuse abundance of mineral wealth of every kind which the God of the universe, and not the protective tariff, placed in the bowels of the continent. Every condition which makes for prosperity in agriculture is here. Climate, soil, variety of production, and facility for transportation; in short, nature seems to have exhausted herself in giving us every material advantage.

People from Europe came here in myriads because of these natural advantages. They came when we had low tariff, and they would have come just the same if we had no tariff, and their coming helped to develop our great agricultural resources. Many of them lived in tariff-ridden countries, and if protection is such a wizard in making prosperity, why did they have to leave the homes of their childhood to come to a strange land? It was not the fact of protection here that brought many of them, for many of them left that behind them, and many came when we did not have high protective tariffs.

The fact is that no decade in our history shows such material progress as the 10 years from 1850 to 1860 under the Walker tariff—a purely revenue measure.

Our national wealth during that decade increased 126 per cent, an increase far beyond that of any similar length of time.

The following figures contrast that decade with the one from 1890 to 1900, much to the disadvantage of the latter:

| | 1850 to 1860. | 1890 to 1900. |
|---|---|---|
| | *Per cent.* | *Per cent.* |
| Our national wealth increased | 126.0 | 36.0 |
| Products of manufactories increased | 85.1 | 38.9 |
| Capital invested in manufacturing increased | 89.4 | 50.7 |
| Railroad mileage increased | 300.0 | 19.0 |

This remarkable progress, made during a decade when we had what protectionists, with ridiculous inconsistency, call a free-trade tariff, is a forceful and eloquent answer to the claim that protection is the cause of prosperity, except, of course, in the sense that protection has made favored individuals prosperous by affecting the distribution of wealth in such a way as to multiply millionaires at one end of the industrial scale and paupers at the other end of it.

The claim that protection is the cause of the high wages paid here is equally unfounded.

Primarily, wages should be an equitable share of what labor produces. What the labor of anyone will produce depends, first, on the efficiency of the individual and, second, on the conditions under which the labor is performed. Any comparison of wages in different countries, or in different communities in the same

country, which ignores these two fundamental conditions is necessarily, and I might almost add willfully, misleading. And yet while our protectionist friends never cease calling attention to the fact that we pay higher wages than are paid in other countries, they never once allude to either of these fundamental facts. They never tell that labor is more efficient here and that the conditions here are more favorable to labor, the environment better than elsewhere, and yet it is largely because of these facts that wages are higher here than abroad, and because of these facts wages have always been higher here. Whether we had high tariff or low tariff, wages were higher here; and if we had no tariff at all, wages would still be higher here because of the greater efficiency of the American laborer and the better conditions under which that labor is performed.

The position of the protectionists on this question of wages is singularly absurd and leads them into the most illogical positions. This is well illustrated in a speech made by one of my Republican colleagues from Illinois during the consideration of the Payne tariff bill and reiterated in his argument yesterday. Here is a table of wages he gave showing the day wage paid in certain industries in this country and also in Great Britain, Germany, France, and Belgium. He made the usual protection argument in connection with that table. He said:

I do not want to live to see the day when the American workingman will be forced by legislation to accept the low wage scale of foreign free-trade nations. If there be those here who think that there is no substantial difference between the wages received by our laborers and the wages received by foreign laborers, I would respectfully invite their careful inspection of the following comparison of wages in this country and the wages paid in free-trade Europe:

| | United States. | | Great Britain. | | Germany. | | France. | | Belgium. | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Hour. | Day. | Hour. | Day. | Hour. | Day. | Hour. | Day. | Hour. | Day. |
| Bricklayers | $0.55 | $4.40 | $0.21 | $1.68 | $0.13 | $1.04 | $0.13 | $1.04 | $0.08 | $0.64 |
| Stonecutters | .42 | 3.36 | .20 | 1.60 | .12 | .96 | .14 | 1.12 | .07 | .56 |
| Stonemasons | .46 | 3.68 | .21 | 1.68 | .13 | 1.04 | .14 | 1.12 | .08 | .64 |
| Hod carriers | .29 | 2.32 | .13 | 1.04 | .08 | .64 | .10 | .80 | No data. | |
| Carpenters | .36 | 2.88 | .20 | 1.60 | .13 | 1.04 | .15 | 1.20 | .07 | .56 |
| Painters | .35 | 2.80 | .18 | 1.44 | .12 | .96 | .13 | 1.04 | .07 | .56 |
| Plumbers | .44 | 3.52 | .20 | 1.60 | .11 | .88 | .15 | 1.20 | .08 | .64 |
| Machinists | .27 | 2.16 | .17 | 1.36 | .13 | 1.04 | .13 | 1.04 | No data. | |
| General laborers | .17 | 1.36 | .10 | .80 | .08 | .64 | .10 | .80 | .05 | .40 |

Not a word said about what the laborer accomplished in a day; not a word about the conditions or environment; not a word about the fact that in the United States we have less than 30 persons to the square mile, while Belgium, one of the countries compared, has 622 persons to the square mile, that Germany has 305 to the square mile, and that Great Britain has 347. How ridiculously absurd, to compare wages and conditions in two countries, when the population is 20 times as dense in one as in the other and competition proportionally keen.

But let us examine this table which is supposed to prove the case for protection and see what it shows. In the first two columns it appears that the American laborer gets about twice as much daily wages as the British laborer does. With the usual ostrich logic of protection it is assumed that that proves the case. Evidently there are none so blind as those who will not see. How very strange that my colleague and his protectionist associates could not see the real meaning of the figures he quotes.

His statistics show that protected Germany and protected France pay bricklayers 13 cents an hour. Protected Belgium pays 8 cents an hour, and free-trade England pays hers 21 cents an hour. And this proportion holds good throughout his table. The figures show, then, that free-trade England pays almost twice as large a daily wage as protected France or Germany and about two and a half times as much as protected Belgium. And this comparison is between countries where the conditions are nearly similar. According to my colleague's logic, the conclusion is inevitable that free trade means high wages and that protection makes low wages. Add to this the fact that German workmen migrate to free-trade England, but no Englishmen go to protected Germany, and according to protection logic, the case is proved.

Of course, the truth is, as I have already said, that wages are regulated, primarily, by what the labor produces, modified, of course, by the law of competition, and that the law of competition is in turn modified by labor organizations, which largely control it.

In Belgium, with 622 persons to the square mile, the struggle for existence is a hard one, and competition is keen. In the United States, with only 30 persons to the square mile, the struggle is less hard, competition is less keen, and labor has more to work on and draw from.

The question of efficiency is an important element in the amount of wages paid, and the misleading nature of reference to the daily wage as a basis of comparison without reference to efficiency is well shown by the statement of Mr. J. H. Bailey, of the Broderick & Bascom Wire Rope Co., of St. Louis, to the Ways and Means Committee on November 28, 1908. After giving the daily wages of British workers, he says:

The wages paid for similar services in the United States is doubtless considerably more than stated above, but to compensate for this difference in wages it must be borne in mind that in England one man attends to but 1 thick-wire block; in the United States 1 man attends to at least 4, and often 6, thick-wire blocks, while for the finer sizes, say Nos. 24 to 36, there is still a greater difference. For these sizes in England 1 man attends to 10 to 15 blocks; in the United States 1 man, with the help of a boy, attends to 30 to 50 blocks.

From the foregoing it will appear that while the individual earnings of the American workman is greater than that of the English workman, still the cost per hundredweight in wages is greater to the English manufacturer because of the greater amount of work turned out by the American workman, due to the greater number of machines attended to by the American.

Mr. Andrew Carnegie stated before the same committee that the general rule is that the highest-paid labor produces the cheaper products.

Senator GALLINGER, of New Hampshire, in a speech on the floor of the Senate June 25, 1902, said:

As regards the power of production, Mulhall has shown that a farm hand in the United States does as much as 2 in the United Kingdom, 3 in Germany, 5 in Austria, and 7 in Russia. It takes 4½ Europeans to equal one American.

And, again, he says:

This comparison is emphasized by our coal consumption and steam power and finally by our products of manufacture.

If the tariff regulated the amount of wages, then England, having no tariff, would pay the lowest wage of any country, but the table cited by my colleague shows—what, indeed, we all know—that the contrary is the fact, and that England, which on their theory should pay the lowest, in fact pays the highest, and much the highest, daily wage paid in any European country.

If their theory was correct the daily wage would be the same wherever the same tariff rate prevailed.

But we know that this is not true, and that the daily wage differs as much in different parts of our own country as it does in entirely different countries.

Carroll D. Wright, who was one of the foremost statisticians of his day, estimated the cost of living in this country and the various countries of Europe, and he measured it, not by money, but by days' earnings.

He concluded that the number of working days required to cover the cost of food, clothing, lighting, heating, and taxes for an average family are, in—

| | Days. |
|---|---|
| England | 205 |
| United States | 225 |
| France | 231 |
| Germany | 240 |
| Russia | 286 |
| Italy | 290 |

Speaking generally, according to this table, so far as Europe is concerned, the higher the tariff the lower the wages. But in spite of all this, in spite of the fact that wages were higher here, regardless of tariffs; in spite of the fact that wages have doubled in England since they abolished tariffs; in spite of reason and experience; in spite of everything, the protectionist will raise his voice and say, "Our high protective tariff is the cause of our high wages." A friend of mine insists that a man can make the most absurd statement, and if he will repeat it loud enough and often enough, after a while he will really think it is so. The protectionists make me think my friend is right. [Applause on the Democratic side.]

It is a most significant fact that in spite of the great increase and vast amount of our national wealth, of the twelve million and a half of families in the United States, according to the census of 1900, five million and a half of these families were practically propertyless, according to the late Charles B. Spahr, then associate editor of the Outlook. He estimated that those five million and a half of families had an average of only $150 a family, consisting of clothing and household goods. He further stated that 125,000 families owned more wealth than the other 12,375,000 families, in other words 1 per cent owned more wealth than the other 99 per cent.

This is an unhealthy condition and will result in mischief if continued.

It was fashionable a few years ago to denounce those who called attention to this condition and brand them as disturbers, but that stage has been passed, thanks to the great independent press and magazines.

How foolish to ignore this condition, and how foolish to denounce those who point it out and emphasize it.

How foolish of the patient to abuse the physician who demonstrates that a cancer is forming in a vital part of his body. How much wiser it would be to thank him and set about getting cured while there was yet time.

But what has protection to do with this condition of congested or concentrated wealth?

Let me illustrate, and in doing so make clear the difference between a tariff for revenue and a tariff for protection.

Mr. Schwab, in 1899, while he was president of the Steel Trust, made a statement in writing and afterwards testified that the statement was true. In it he said:

I know positively that England can not produce pig iron at actual cost for less than $11.50 per ton, even allowing no profit on raw materials; and can not put pig iron into rails, with their most efficient works, for less than $7.50 per ton. This would make rails a net cost to them of $19. We can sell at this price and ship abroad, so as to net us $16 at works for foreign business, nearly as good as home business has been. What is true of rails is equally true of other steel products. As a result of this we are going to control the steel business of the world.

You know we can make rails for less than $12 per ton, leaving a nice margin on foreign business. Besides this foreign costs are going to increase year by year, because they have not the raw materials, while ours is going to decrease. The result of all this is that we will be able to sell our surplus abroad, run our works full all the time, and get the best practice and cost in this way.

Mr. Schwab here tells us they could make steel rails in Pittsburg at less than $12 a ton and that the same kind of rails could not be made in England for less than $19 per ton. But while they could make steel rails at $12 per ton, and by selling them at $15 make 25 per cent profit, yet they actually sold them at $28 a ton f. o. b. at Pittsburg. Had there been no tariff at all on them, you see, few or none could come from England. Allow $3 per ton for getting the English rails to the seaboard, loading them on the ship, paying the freight and insurance charges to New York, and, without any profit whatever, they would have cost $22 when they reached the customhouse there. The duty on steel rails under the Dingley law was $7.84 per ton, which, added to the other items, makes a total cost of $29.40 a ton this side the customhouse in New York.

If an American purchaser bought rails in England, of course he paid the customhouse duty or tariff of $7.84 to the collector of customs, and the money thus paid went into the Government Treasury as revenue, to be used in defraying the public expenses. But the Steel Trust was perfectly aware of what the foreign rails would cost an American purchaser, and to prevent importation they fixed the price of rails at Pittsburg at $28 a ton, or $1.40 below the foreigner's price, even if he sold at actual cost. This gave the American manufacturer a profit of $16 per ton, or 133⅓ per cent.

You will notice that he did not add the whole of the tariff. If he did the price would have been $29.40, and then there might be some importation. But by remitting $1.40 and adding only $6 of the tariff to his price, he had a monopoly of the business.

Now, where did the $6 per ton, which the tariff law enabled him to add to the price, go? Did any of it go to the Government as revenue? No indeed, not a cent. It all went into the treasury of the Steel Trust as bounty or protection.

Mr. McGUIRE of Oklahoma. Will the gentleman permit a question?

Mr. GRAHAM. My time is nearly up, but if the gentleman will get it extended, I will be glad to answer his question, if I can.

Mr. McGUIRE of Oklahoma. Does the gentleman know what this country paid for steel rails at the time we did not make any in this country?

Mr. GRAHAM. The gentleman does, and I am glad you asked that question. The gentleman knows well, but he knows that at that time the processes that have since been invented for making steel rails were practically unknown, and the gentleman knows that most of those processes were developed by Americans. [Applause.] The gentleman knows that in the last 10 years there were 650,123 patents granted in the United States, whereas in England, in all time, there were only 278,000, and in Spain 22,000. This shows the comparative ingenuity of the peoples.

Mr. McGUIRE of Oklahoma. The gentleman has not answered my question. Does the gentleman know what the United States paid England for steel rails before we made them in America?

Mr. GRAHAM. The gentleman said he did, and he does.

Mr. McGUIRE of Oklahoma. But has the gentleman answered the question?

Mr. GRAHAM. The gentleman is glad to answer it. I concede, as I said awhile ago, when the gentleman from Oklahoma probably was not here, that protection stimulates, but stimulation is usually followed by prostration; and, in order to prevent that, when stimulation had reached the point where the American manufacturer had the market to himself, he then went to work and organized what we now call trusts to keep the price up, instead of putting it down, as it was said he would do.

Mr. McGUIRE of Oklahoma. Will the gentleman tell us what we paid England for steel rails prior to the time they were manufactured in America?

Mr. GRAHAM. Just about what Englishmen had to pay for steel rails. They were as high as $150 a ton, and the processes that cheapened them have been largely the result of American brains; and if there is any reason why the protection barons of this country should have the benefit of all inventions made by American brains, I do not know what the reason is. [Applause on the Democratic side.]

I think when there are great inventions like Whitney's or Watt's, or any others, the people should have some of the benefits of them and not give it all to a few who are piling up millions, so that to-day they own a large part of the wealth of the country and have been practically running the Government, and not running it in the interest of the people, but in their own interest.

Mr. McGUIRE of Oklahoma. Will the gentleman permit another question?

Mr. GRAHAM. Yes.

Mr. McGUIRE of Oklahoma. I do not know whether I quite understood the gentleman or not; but if I did, did I understand him to say that prior to the time when we made any steel rails in America we paid England as high as $150 a ton for steel rails?

Mr. GRAHAM. Please talk faster; the clock keeps moving.

Mr. McGUIRE of Oklahoma. I beg the gentleman's pardon. Did I understand the gentleman correctly?

Mr. GRAHAM. I really do not understand why the gentleman repeats his question. I thought I made it as plain as I could make it.

Mr. McGUIRE of Oklahoma. Simply to see if I misunderstood the gentleman.

Mr. GRAHAM. I am not responsible for the gentleman's understanding. [Applause on the Democratic side.]

Mr. McGUIRE of Oklahoma. I do not know that I misunderstood the gentleman. I just want to get him to tell me.

Mr. GRAHAM. I said very clearly that at one time rails cost $150 a ton; that at that time the present processes of making steel were unknown. It was done by hand, by hammering and heating and cooling, and there was a great deal of expense to it which is now obviated by a very simple process.

The Bessemer process had scarcely been in vogue till 1870. The price in England was then $50 a ton. In 1873 the prices there went down to $36. By 1877 the price was $30 and the duty $28. The price here at that time ranged from $61 to $67.

Mr. YOUNG of Michigan. Will the gentleman answer a question?

Mr. GRAHAM. I will if I can.

Mr. YOUNG of Michigan. At the time we were buying steel rails for $165 a ton, were not those rails made by the Bessemer process?

Mr. GRAHAM. They were not.

Mr. YOUNG of Michigan. I think the gentleman is mistaken. I would like to ask the gentleman further, if all the rails made in this country up to about 12 years ago were not made under that same Bessemer process?

Mr. GRAHAM. They were made under such processes as enabled the Steel Trust to make them for less than $12 a ton, when England could not make them for less than $19 a ton. But the Steel Trust sold them for $28 a ton, thus making a profit of 133 per cent. That is merely an illustration. Every protected article is like steel rails, differing only in degree and not in principle, and in that way protection has been gathering wealth from the producers of this country until now 1 per cent of the American people owns more than the other 99 per cent.

Mr. YOUNG of Michigan. The gentleman from Illinois has referred to the testimony of Charles M. Schwab. Did the gentleman read that portion of Mr. Schwab's letter in which he said that the statement as to the price for which rails could be made in Pittsburg was written for the purpose of selling the property of the Carnegie Co., and if people kept that in mind they could place a better value on it?

Mr. GRAHAM. The gentleman from Illinois did read that in his testimony, but not in the letter, and the gentleman read further; he read where Mr. Burke Cockran asked him the specific question, if the facts stated in the letter were not true, and Mr. Schwab said that they were true.

Mr. YOUNG of Michigan. In a way.

Mr. GRAHAM. He said it absolutely. He said it is entirely true. I would be delighted to read the whole pages upon which that matter appears, had I the time. [Applause on the Democratic side.]

The CHAIRMAN (Mr. SIMS). The time of the gentleman from Illinois has again expired.

Mr. UNDERWOOD. I yield to the gentleman five minutes more.

Mr. GRAHAM. For the year 1909 there were 1,688,775 tons of steel rails used in the United States. Six dollars per ton on that amount made $10,132,750, a nice little gift, which the protective tariff laws compelled the American people to give to the manufacturers on steel rails alone. In 1908 twice as many rails were used, and the gift was over $20,000,000 that year. And as the protective tariff works on steel rails so it works on every other line, the difference being only in degree. When it is an ideal protective measure, and shuts out imports altogether, it diverts all the tariff graft into the manufacturers' pockets. When not ideally protective some things are imported and some revenue is obtained for the Government. A perfect protection measure would yield no revenue.

It becomes an interesting question how our tariff thus divides the money taken from the people—that is, how much of the tariff goes to the Government as revenue and how much to the protected interests as tribute or graft? I have seen many estimates, and the weight of the evidence is, I think, that for every dollar the Dingley tariff put in the Treasury as revenue it put from $5 to $8 in the treasuries of the protected manufacturers as tribute.

I have never been able to persuade myself that such a law is a proper exercise of the Government's taxing power. I deny its right to take from the pockets of some citizens their hard-earned dollars to put them into the pockets of other citizens. As the Government has been collecting over $300,000,000 a year revenue from customhouse taxation, and as at least five times as much is collected from the people each year for tribute to the manufacturers, and as this has been going on for 40 years it becomes apparent why there is such concentration of wealth as I have already adverted to.

With annual tribute paid by the American people of from 10 to 20 millions on steel rails alone, it is little wonder that the 24 directors of the Steel Trust represent one-twelfth of the country's entire wealth.

How long, O Lord, how long!

Not the least of the objections to this system of public robbery under the forms of law is the fact that it is dishonest and immoral, in that the law authorizes the manufacturer to collect money from the people for his individual benefit and under the protection of the taxing power. It is like authorizing the grocer, by law, to put sand in the sugar or authorizing the butcher to weigh his hand with the meat; and the protection idea, the idea that he is getting the advantage, that the law enables him through protection to get something for nothing is sapping the foundation of public morals and of public honesty.

But, as I see it, the greatest evil is the danger to republican form of government. We can not safely ignore the lessons of history, and one of them surely is that wealth is power, and those who control the wealth of a country will control its government and its destinies.

When we consider that one out of each hundred of our people own over half the country's wealth, and that the ownership of that half, through banks, trust companies, insurance companies, and otherwise makes them the custodians of much of the remainder, which is almost as useful to them as the ownership of it, the danger becomes more apparent. And we should consider, too, that many of the very rich seem to be getting tired of a republican form of government and are willing, if not anxious, to use their vast wealth for the purpose of purchasing titled sons-in-law and arranging matters so that our children and grandchildren will have to produce dividends or rent to be sent abroad to maintain the titled descendants of these modern Tories in affluent dissipation.

While protection is not the sole cause of these evils, it is the most far-reaching and the most prolific one, and little progress can be made in other directions so long as the law permits a favored few to thus exploit the people. This bill is therefore in the right direction, is well worthy of support, and ought to pass. [Applause on the Democratic side.]

Mr. UNDERWOOD. Mr. Chairman, I yield 25 minutes to the gentleman from Missouri [Mr. RUBEY].

Mr. RUBEY. Mr. Chairman, I thank the gentleman from Alabama for the courtesy he has extended to me. A new Member on this floor, it would ill become me to consume much of the time allotted to this side of the Hall in the discussion of this important question. I want to promise the House here now that whatever of merit or demerit my speech may contain, it will at least possess one quality which will commend itself to you, and that will be its brevity.

When I came here and looked around me, it occurred to me that this House might be likened unto a great school. It seemed to me, as I noticed the difference in the experience and the knowledge of the Members of this body, that there might be found here those who are freshmen, sophomores, juniors, and seniors in this great school. Indeed, Mr. Chairman, it occurred to me that there are those who by reason of their great experience and their many years of distinguished service in this body may well be denoted post graduates in this institution.

I thought when I came that I would enter as a freshman. But a few days ago as I listened to the speech of the gentleman from Illinois, the ex-Speaker of the House, and when he brought forth his map and talked to us about the geography of Canada and delivered to us what he was pleased to term a kindergarten lecture, I became convinced that I had overlooked one department in this body, and I was forced to conclude that the eighty-odd new Members would be considered as belonging to the kindergarten. [Laughter and applause.]

Be that as it may, Mr. Chairman, I am satisfied that experience in this body does and should play an important part. All the new Members have received at the hands of the old Members many courtesies which we appreciate. I have listened attentively to the debates on this and other measures. Indeed, it might be said that the new Members of this body have been noted for their careful, candid, and interested attention to these debates. And let me express the hope that we may continue so to do, even should the fortunes of future elections allow us to become old Members of this great body.

Mr. Chairman, I come from an agricultural district. Within the limits of my district the largest town contains less than 2,500 inhabitants. My people are an agricultural people. I voted for the reciprocity bill. I voted for it, first, upon the broad ground that its passage would be beneficial to the entire country, from one end of it to the other, and that between two countries such as the United States and Canada there ought to be no artificial tariff wall.

I voted for it, in the second place, because I believe it is to the interest of the agricultural people of this country to have no tariff between Canada and the United States. [Applause on the Democratic side.] When the statistics are carefully examined, and when it is seen that the balance of trade between this country and Canada is in our favor, I can see no disadvantage; on the contrary, I see great advantage to our agricultural people in getting rid of that tariff wall. [Applause on the Democratic side.]

Mr. Chairman, I have here some figures in reference to this matter, which I shall not take the time now to read, but will incorporate in my printed remarks. They are figures that have been used before on this floor by other speakers, but they show conclusively that the balance of trade between the two countries is in favor of the United States.

The Government statistics show that in five years ending June 30—

| | |
|---|---|
| We sold in Canada | $886,417,376 |
| Canada sold to us | 393,913,673 |
| Difference in our favor | 492,503,703 |

These Government statistics further show that in the same five years—

| | |
|---|---|
| Horses: | |
| We sold in Canada | $14,172,075 |
| Canada sold to us | 2,549,201 |
| Difference in our favor | 11,622,874 |
| Cattle: | |
| We sold in Canada | 1,578,179 |
| Canada sold to us | 1,193,796 |
| Difference in our favor | 384,383 |
| Meat and dairy products: | |
| We sold in Canada | 17,011,017 |
| Canada sold to us | 904,191 |
| Difference in our favor | 16,106,826 |
| Breadstuffs: | |
| We sold in Canada | 31,596,556 |
| Canada sold to us | 6,679,884 |
| Difference in our favor | 24,916,672 |

Of the foregoing items we sold to Canada $53,030,755 more than Canada sold to us.

I voted for the reciprocity bill for another reason, and that was that I knew full well that just as soon as it was passed there would come right along after it this measure which we are now considering, the companion bill—if you please, the farmers' bill—which, far more than the reciprocity measure, relieves the burdens upon the people of our country [applause

on the Democratic side], and especially upon that great army of producers, the American farmers, whom, more than anyone else, I have the honor to represent upon this floor.

I am strongly in favor of the passage of the pending bill. It will benefit my people. I am one of those that believes a Member of this body should legislate for all the people he represents without regard to their political affiliations, and this is one bill that will benefit every man, woman, and child within my district. This bill puts upon the free list practically every article used by the farmer in the production of his crop and in the equipment of his farm. It benefits every farmer in every nook and corner of this Republic. It places upon the free list the plow and the harrow used upon the hillside and in the valley, the cultivator and the planter used upon our broad, extended prairie land, the harvester and the header used in the West and in the great Northwest, the cotton gin and everything used in cultivating and caring for the cotton in the Southland, the wagons and the harness used everywhere, the wire fencing used to inclose the farm land, and the lumber with which to build the homes and the barns and the granaries. It even goes further than that. It is broader than that. It places upon the free list the bread and the meat and the boots and the shoes that are so absolutely necessary to the workingmen of this country, whether they work upon the farm, whether they work in the mines, in the factory, upon our great railroads, or I care not where. The very reading of this measure, the enumeration of the articles contained therein is, to my mind, sufficient to convince any reasonable man that it will be a great benefit to all the people and ought to become a law. I shall not read it, but will incorporate in my printed remarks the items which it places upon the free list.

This bill places upon the free list the following articles:

Plows, tooth and disk harrows, headers, harvesters, reapers, agricultural drills and planters, mowers, horserakes, cultivators, threshing machines and cotton gins, farm wagons and farm carts, and all other agricultural implements of any kind and description, whether specifically mentioned herein or not, whether in whole or in parts, including repair parts.

Bagging for cotton, gunny cloth, and all similar fabrics, materials, or coverings, suitable for covering and baling cotton, composed in whole or in part of jute, jute butts, hemp, flax, seg, Russian seg, New Zealand tow, Norwegian tow, aloe, mill waste, cotton tares, or any other materials or fibers suitable for covering cotton; and burlaps and bags or sacks composed wholly or in part of jute or burlaps or other material suitable for bagging or sacking agricultural products.

Hoop or band iron, or hoop or band steel, cut to lengths, punched or not punched, or wholly or partly manufactured into hoops or ties, coated or not coated with paint or any other preparation, with or without buckles or fastenings, for baling cotton or any other commodity; and wire for baling hay, straw, and other agricultural products.

Grain, buff, split, rough and sole leather, band, bend, or belting leather, boots and shoes made wholly or in chief value of leather made from cattle hides and cattle skins of whatever weight, of cattle of the bovine species, including calfskins; and harness, saddles, and saddlery, in sets or in parts, finished or unfinished, composed wholly or in chief value of leather; and leather cut into shoe uppers or vamps or other forms suitable for conversion into manufactured articles.

Barbed fence wire, wire rods, wire strands or wire rope, wire woven or manufactured for wire fencing, and other kinds of wire suitable for fencing, including wire staples.

Beef, veal, mutton, lamb, pork, and meats of all kinds, fresh, salted, pickled, dried, smoked, dressed or undressed, prepared or preserved in any manner; bacon, hams, shoulders, lard, lard compounds and lard substitutes; and sausage and sausage meats.

Buckwheat flour, corn meal, wheat flour and semolina, rye flour, bran, middlings, and other offals of grain, oatmeal and rolled oats, and all prepared cereal foods; and biscuits, bread, wafers, and similar articles not sweetened.

Timber, hewn, sided, or squared, round timber used for spars or in building wharves, shingles, laths, fencing posts, sawed boards, planks, deals, and other lumber, rough or dressed, except boards, planks, deals, and other lumber, of lignum-vitæ, lancewood, ebony, box, granadilla, mahogany, rosewood, satinwood, and all other cabinet woods.

Sewing machines, and all parts thereof.

Salt, whether in bulk or in bags, sacks, barrels, or other packages.

I can not, Mr. Chairman, in the limited time at my disposal enter into a detailed discussion of this measure. I have listened carefully to the arguments presented against it by those upon the other side of the Hall who oppose it, but I have listened in vain for a single substantial reason why it should not pass.

The opposition has been one of criticism and technicality. Some oppose this measure because it is too broad and opens too wide the door of trade. Some oppose it because, perchance, it is too narrow and does not place upon the free list some things which in their opinion should be there. Still others oppose it for purely technical reasons, because its phraseology or grammatical construction or something of that kind is not just right. The argument most frequently resorted to by those upon the other side has been that the passage of this measure would close factories and reduce wages. I want to say here, Mr. Chairman, that is an old, old cry. It has come down to us through many years. It has been used not only to frighten the Congress of the United States, but it has been used upon election day to intimidate the voter [applause on the Democratic side] and to carry the elections in this country. I do not believe that it will close a factory. I do believe that it will possibly reduce the income of some of the millionaire owners of factories, but it will not close a single factory, and it ought not reduce the wage of a single laborer therein. I have listened with some surprise, Mr. Chairman, to the speeches made on the other side. I have heard Republican speeches as made out in my part of the country, but I did not know you had the same kind of speeches here that we had out there. I looked for the speeches here to be upon a higher and a different plane from what we found them out in the campaigns. More speeches were made in my district by the opposition than ever before in the history of our district, and every one of them talked about the hard times of the Cleveland administration.

I am surprised when I hear gentlemen on the other side make these same old speeches. Why, Mr. Chairman, if, perchance, we should be discussing the tariff 20 years from now, and somebody should introduce a bill to reduce the tariff upon some manufactured article, those upon the other side, the high protectionists, would make great speeches about the hard times of Grover Cleveland's administration. [Applause on the Democratic side.] Even further than that, Mr. Chairman, I expect that on the last great day, the judgment day, when Old Gabriel gets ready to sound the trumpet to bring the dead to life, some protectionist, if he happens to be near enough, will rise up and say, "Mr. Gabriel, just hold on a minute before you toot that horn; I want to say just a few words about Grover Cleveland's administration." [Applause on the Democratic side.] Why, they talk to us about closing the factories. It has been demonstrated on this floor that the manufacturer of farm machinery takes his products abroad and sells them there cheaper than he sells them to the people here at home. Talk about the boot and shoe factories; they are exporters, they sell their products in foreign lands. And right here, while I am discussing boot and shoe factories, let me say this: Two years ago, when this same question was being considered, representatives of boot and shoe factories came before the Senate committee and the House committee and said they wanted free hides. "Why," they said, "if you give us free hides, we can do without a tariff, but we would like to keep that on for the name of the thing; but we can do without it. And if you will give us free hides, we will reduce the price of shoes from 25 to 50 cents a pair." The Payne-Aldrich tariff bill was passed and it gave them free hides; it gave them a 10 per cent tariff; but instead of shoes being decreased in price from 25 to 50 cents a pair they have been increased in price from 25 to 50 cents a pair.

But they say it will reduce wages. Out in my part of the country a great railroad system has for two or three months been trying to get hold of a president. They have offered the job to two or three high-grade men, but the job has been refused, presumably because they were already getting a large salary. Salaries have been offered to those men greater than the salary paid to the President of the United States, and yet that same railroad and many others, when we had the Republican panic of 1907 and it became necessary to economize, began economizing by discharging the men who worked upon the section for $1.25 a day. My friends, the trouble in this country with our corporations is this, that whenever, perchance, it becomes necessary to economize they begin at the wrong end of the line. [Applause on the Democratic side.] Instead of discharging or reducing the salaries of the overpaid officials at the top they begin at the other end of the line by discharging the laboring men down at the bottom. We witnessed in this House the other day a rather remarkable occurrence. A bill passed this House by a unanimous vote, not a single, solitary vote against it. A few days later we were discussing the reciprocity measure. Those upon the other side were divided; a majority of them voted against the bill and talked against it. A minority of them voted and talked in favor of the reciprocity, but whether they were for it or whether they were against it, they were united in that they were talking and speaking of their devotion and their love for the great American farmer. So I thought to myself as I listened to the discussion, this House is going to repeat itself; this House is going again to be unanimous; the minority of the minority is going to unite with the majority of the minority, and together they are going to present a solid front and stand by the great Democratic majority, they are going to vote unanimously when the bill comes up to give the farmers a free-list bill. But, my friends, I was mistaken, I was deceived. They talk for the farmer, but they are not willing to vote for the farmer. [Applause on the Democratic side.] The very ones, some of them who opposed the reciprocity bill, and gave as their reasons for it that it would be detrimental to the farmer, have in the consideration of this bill been most bitter in their opposition to it.

I know a farmer, away out yonder in the central part of this great country; he dwells in a little valley in the Ozark Mountains of south Missouri, among as good a people as God ever let live upon this earth. [Applause.] He came there when a boy. At the breaking out of the Civil War he entered the Army and gave four of the best years of his life to the service of his country. After the war was over he came back home, married, entered a piece of land, and settled down upon the little farm where he lives to-day. Years came and went. Many children came to bless that little home, trials and hardships came upon him, but he shirked not. By dint of hard and honest toil from early morn until late at night, day in and day out, he was enabled to provide for that growing family.

One by one as those boys and girls grew to manhood and womanhood they left that old home. Two or three of them located on farms in the near-by neighborhood, but a larger number of them, lured by the dazzling splendor of the great city, are now eking out a small subsistence in factories, in machine shops, and behind the counters in the great department stores. 'Way back yonder in old Missouri, on that homestead, the father and mother live to-day. Now, here is what I want to emphasize: Every year of his life that farmer has gone to the county seat, he has hunted up the county collector, and paid to him his taxes, State, county, and school, out of his hard-earned savings. Every year of his life he has disposed of the products of his farm and has therewith purchased the necessaries of life. During all those years every time he purchased an imported article upon which a tariff duty was levied, and those articles were few in number, he paid a tax for the support of his Government. And during all those years every time he purchased a home-manufactured article, upon which a protective tariff duty was levied, and those articles were many, he paid a tax to the manufacturing interests of this land. The tax which he paid to his State and to his county and to his school and to his Nation was just and right, but the tax which he has been compelled every year to pay to the manufacturing industries of this country is wrong, is unjust, and ought not to be. [Applause on the Democratic side.]

You gentlemen upon the other side promised to reduce these burdens. You promised it when you wrote your platform in 1908 at Chicago. You have not done it. Are you going to do it now? The farmer, Mr. Chairman, that I have mentioned here, is but a type. The life story of that farmer is but the life story of millions of farmers throughout this land. Honest, upright, and patriotic, they are the bone, the sinew, the highest type of American manhood. [Applause.]

My predecessor occupied a seat upon the other side of this Hall in the last Congress. I have the honor in the present Congress to occupy a seat upon this side of the Hall. [Applause on the Democratic side.] He was a member of the majority in the last Congress. I am a member of the majority in this Congress. [Applause on the Democratic side.] But, oh, Mr. Chairman, what a difference between that majority and this majority, as evidenced by what we have already done and by the measures that we have already passed, and a difference which will become more and more manifest as the days and weeks go by.

I listened to the speech of the gentleman from Wisconsin [Mr. LENROOT], and I agreed with him in one thing, although I could not agree with him in the main part of his argument. He stated that if his party had been true to its pledges that we upon this side of the House would be in the minority instead of in the majority. My opponent, as I said a moment ago, was on the other side. He was a stand-pat Republican. He violated his party's pledge; he voted for the Payne-Aldrich tariff bill. If he had acted with the gentleman from Wisconsin and a few others on his side of the House two years ago, and stood by his party platform, possibly things might be reversed between my late opponent and myself.

The CHAIRMAN. The time of the gentleman has expired.

Mr. UNDERWOOD. I yield five minutes more to the gentleman.

Mr. RUBEY. Mr. Chairman, it has been said, and truly said, that this Government is a government by parties. When the assembled representatives of a party meet and formulate its platform, that platform becomes a solemn and sacred agreement between the party and the people that support that party. [Applause on the Democratic side.] And he who receives the nomination upon that platform does so knowing full well the contents of it, and if elected he should do everything in his power to carry into effect the policies and the pledges of his party.

We are to-day making history. This is a history-making Congress.

Already we have done some things which, though almost revolutionary in their nature, have been done with such a spirit of peace and unanimity on the part of the party that did them as to be almost phenomenal. When our caucus met—the Democratic caucus—and nominated its Speaker, I believe for the first time in the history of this country we witnessed the nomination of a man to that position, to serve his first term, by the unanimous vote of his party. That fact in itself shows that he stands high in the esteem and admiration of his party. [Applause on the Democratic side.]

We admire him, we honor him, we believe that he is capable of fulfilling the duties of that high office, no matter what its duties may be now, may have been in the past, or may be in the future. He is just as able to carry them out as any man who has ever occupied that position. [Applause on the Democratic side.]

Yet, notwithstanding our love for and our confidence in him, believing that the selection of committees should rest with the body itself and not with the Speaker, the first thing we did was to place their selection with the House itself, and that has been hailed by the people of this country as one of the greatest steps we have ever taken for the advancement of representative government here. [Applause on the Democratic side.]

Then, Mr. Chairman, when this House convened in special session it went to work, it got right down to business, and has been busy ever since. The first thing we did was to eliminate about a hundred useless jobs and thereby save to the people something like $182,000 annually. Then we took up and passed the resolution providing for the election of United States Senators by a direct vote of the people. We then passed the reciprocity bill. We passed the measure reapportioning Representatives to the several States. Then we took up the present bill. For 50 years Congress after Congress has convened and in the writing of tariff legislation they have passed laws in the interest of the manufacturers of this country.

Mr. CLINE. And we passed the campaign expenses bill.

Mr. RUBEY. Yes; as the gentleman says, we passed the bill requiring the publication of campaign contributions before as well as after elections, and on that occasion we witnessed the remarkable occurrence of every man present voting in its favor.

As I said before, the Congresses have heretofore legislated in favor of the manufacturer and the special interests. We are now considering a bill that is not for the benefit of the special interests in this country, but for the benefit of the great masses of the people. We are going to pass this bill, and when we have done so we will take up another bill of benefit to the people and pass it, and so, one by one, we are going to pass those measures which the people are demanding and which are of interest to the people all over the country. [Applause on the Democratic side.] And when the gavel falls at the close of the Sixty-second Congress this side of the House, the Democratic side, will have redeemed every pledge that it has made to the American people. [Prolonged applause on the Democratic side.]

Mr. UNDERWOOD. Mr. Chairman, I yield 45 minutes to the gentleman from Kentucky [Mr. HELM].

The CHAIRMAN. The gentleman from Kentucky is recognized for 45 minutes.

Mr. HELM. Mr. Chairman, I learned my tariff creed from those patron saints of Kentucky Democracy, Beck, Carlisle, and Breckinridge, whose memory is still revered and cherished and in whose footsteps the younger generation delight to follow, as well as from those old Democratic masters of the tariff school of Watterson, Blackburn, and McCreary, men who have shed luster and renown upon our State and are now leaders in the councils of our Nation.

The star-eyed goddess of tariff reform, once more in the ascendency, has her abode and abiding place in Kentucky. [Applause.] As the result of the teachings of these old masters to whom I referred, the people of my State understand the workings and the operations of the tariff. They know that as the result of legislation placed upon the books by a more powerful political party unhallowed tribute has been wrung from them. They know that by unjust and unequal laws you of the North have gathered tainted wealth from them. They know that the tariff has not added a single dollar in value to any one of their staple products that support them. They know that their products are part of the basis of the surplus that goes into the markets of the world, and that the price has always been fixed there. They know that with the rarest exceptions the tariff does not increase the cost of any article when the exports of that article largely exceed the imports of the same. They know that whenever the price is increased by the tariff, the consumer and not the foreign importer pays the tax. They know that the tariff incubates monopoly and shelter trusts; that the freight rate often overbalances the apparent effect of the tariff; and that a prohibitive tariff brings no revenue to the Government,

but does augment the bank accounts of the beneficiaries of the tariff; that a feast is preferable to a famine; that the truth is more powerful and enduring than falsehood; that intelligence is far better and more desirable than ignorance.

These fundamental, basic propositions have been understood by the people of my State since a time when the memory of man runs not to the contrary.

THE SURPLUS FIXES THE PRICE.

The statement has been made on this floor that the place where the greatest quantity of a product is sold fixes the price of that product. I deny the proposition; and no one can say, and say it truthfully, that the surplus of all the wheat produced by all the wheat-raising countries—I have selected that, because around that item this fight has been waged—that the surplus of all the wheat-producing countries in the world does not exceed the surplus sold by any one wheat-producing country in the world. The official statistics show that the world's product of wheat last year amounted to 3,667,494,000 bushels; that the wheat-raising countries of the world exported in 1908—the figures for that year being the latest that I could obtain—468,561,011 bushels, and the same year 24,469,940 barrels of flour. Estimating 5 bushels of wheat to the barrel of flour, we have a total surplus of wheat amounting to 590,900,711 bushels. If the price of wheat is not fixed by the surplus, how is it that in those countries, even in those localities where consumption exceeds production, the price of wheat does not exceed the price of wheat in those places where production does exceed consumption?

All of the counties in the district that I represent are wheat-growing counties. In some of them the consumption exceeds the production. In some of them the production exceeds the consumption. Yet the price in each of them or in all of them is the market price paid in the business centers, less the freight from the shipping point to the business centers.

Much has been said here on the floor about the vast area of Canada that is capable of producing wheat, and that the tide of immigration is rushing into that portion of Canada. Admitting all that has been said to be true, what are you going to do about it? How can you stop the development? The people are going to these lands, and the increasing surplus that Canada produces will simply be augmented by the increased area and the increased production. You have to meet the surplus of Canada in the markets of the world now, whether this reciprocity bill passes or not, and you will simply have to meet that increasing surplus in the markets of the world.

That this increased surplus may tend to lower the price of wheat I admit, unless consumption keeps pace with it.

The reports that are being received bespeak a most bountiful crop for this year. No farmer should be alarmed if the price of wheat should fall, for with the prospects of a greater yield, as a matter of course, the price would have a tendency to lower.

Year by year the Republican Party is filching Democratic doctrines. Behold at this belated day the Republican President of the United States, either converted to the true doctrine and faith or else unwilling longer to deceive the American people as to the working of the tariff. In his speech before the general assembly at Springfield, Ill., on February 11, he, in part, said:

> There is a difference of 10 or more cents a bushel on wheat and other cereals between the markets in Winnipeg and Minneapolis, and this difference is fully explained by the lack of transportation and elevator facilities and by the greater difficulty that the Canadian farmer now has in point of economic carriage from the Northwest to Liverpool, where the sale of this surplus and the price of wheat is fixed for the world. To let the wheat of the Northwest go down to Minneapolis and Chicago will steady the price of wheat, will prevent its fluctuation, will make speculations more difficult, and will furnish us greater insurance against the short crop and higher prices. But that it will in the end or substantially reduce the price of wheat, which is fixed for the world at Liverpool, no one familiar with conditions can assert.

In the practice of law I was always better pleased to make out my case with the other fellow's witnesses, and I have devoted some portion of this address to such high authorities in the Republican Party as the President and to Republicans of such high renown as our Secretary of Agriculture, who spiked the guns of the Republican teachers of the false doctrine that the tariff is of any benefit to the farmer when he stated in his open letter to the legislative committee of the National Grange February 9, 1911, that the price of wheat raised in the United States was fixed in Liverpool, and said:

> The United States produces surplus wheat above domestic requirements, and this surplus production is sold in foreign countries. The price of our export surplus is governed by the world's requirement, being regulated by the law of supply and demand. The price of wheat in the United States while we are exporting is governed by the price at which the surplus is sold, as a general proposition. Occasionally wheat corners may interfere with the law of supply and demand and temporarily affect the price.

The Republican Select Committee on Wages and Commodities, authorized and directed to ascertain and report on the cause of extreme high cost of living, exonerated the tariff by saying:

> It—
>
> The tariff—
>
> does not increase the price of food production, because the cost is fixed in the markets of the world.

More than half the Republican membership in this House have been converted to this position, and have proclaimed this old Democratic law of trade. How long will you, O protectionists, continue to abuse the patience and confidence of the farmer? [Applause on the Democratic side.] The people have driven the Republican majority in this House from the floor, and the defenders of the high protective tariff have been driven from the floor in this debate. Slowly but surely the Republican Party is being driven from power and its untenable position. Formerly your party slogan was protection for "infant industries." This plea is now obsolete, it has faded away from your platforms. They dare not defend it in the face of the gigantic trust that it has engendered; it is worth any Republican's life politically to do so. [Applause on the Democratic side.]

Your Republican President did not dare to proclaim this in the speech referred to before the General Assembly of Illinois at Springfield. On the contrary he said:

> There was a time when Republican leaders thought there was no danger in having the tariff higher than necessary to protect any industry. It was thought that if the country was made to depend upon manufactures behind the tariff wall, the competition between the manufacturers would stimulate the reduction in the cost of production, and thus reduce the price, but the temptation to combine by which the price could be controlled, and thus the excessive tariff taken advantage of, led to a modification of the protection theory, and to a declaration that the protection of any industry ought not to exceed in the tariff imposed more than the difference in the cost of production abroad, the cost of production here, and enough to give a fair profit to the domestic producer or manufacturer.

WASTE AND INEFFICIENCY INCREASE TARIFF.

Let us look at this proposition for a moment. The latest attempt to deceive the people is a tariff not to exceed the difference in cost of production at home and abroad, plus a fair profit to the manufacturer. So, again, the Republican Party perverts the object of government by guaranteeing a profit on legislative credit. It is a sly method of reaching the same result by a different route, and through this catch phrase to secure precisely the same result; and instead of being a radical modification, it is the same proposition with a sugar coating. The cost of production at home and elsewhere is an ever-varying proposition, even under like conditions, ranging all the way from efficient and inefficient management to the cost of construction, accessibility of raw material, quality of labor, character and kind of machinery, freight rates, fuel, location, and so forth; and now applying their theories, they are drawn to the maximum of protection as the basis of their protection, else there is no protection.

Why will the producer feel concerned about the cost of production when he has the guaranty of the Federal Government that, at all hazards, he can not lose, and that he is to have a fair profit? Aptly stated, the proposition is a premium on unbusinesslike methods. The duty rises as waste and inefficiency increase, and the limit of protection is the worst managed business sanctioned by Federal legislation, while the burden of the unnecessary and inflated cost is to be borne by the consumer solely by reason of such legislation.

During this debate much has been said about the difference in cost of labor in Canada and in the United States. A few days ago the gentleman from Michigan [Mr. DOREMUS], in the course of his address, stated that in his city of Detroit, only 2,600 feet away from his Canadian neighbors, with a population of 465,000 people, daily there was an army of people crossing the Detroit River from Canada into the United States and from the United States into Canada, earning their daily livelihood. The question of wages was not involved as to which side of the river wage received the highest compensation; it was solely a question on which side the job or the employment could be had.

Our friends from Iowa and Wisconsin are very much perturbed about the prices of eggs and poultry and milk, as the result of the enactment of the reciprocity bill. I have been at a loss to understand the whys and the wherefores of this alarm. Can it be possible that a Canadian hen lays more than one egg a day? Or, if the Canadian hen does not lay more than one egg a day, is it a question of the labor equation that is involved in the proposition? [Laughter and applause on the Democratic side.] Does the average Canadian cow give any more milk than the average American cow, or will Canadian milk stand more watered stock than American milk? [Laughter

and applause on the Democratic side.] I take it that when it comes to extracting the fluid from the cow, milking is milking on both sides of the line.

The gentleman from Massachusetts [Mr. GARDNER] is broken-hearted over the fact that a Canadian fishing in the same hole with a Yankee fisherman can catch fish cheaper than the Yankee can. I presume that it is a question of the cost of bait. With us this enterprise of fishing has always been largely a matter of luck, and if the Canadian can outluck the Yankee fisherman I believe that the proposition is even beyond the aid or control of the Federal Congress of the United States. [Laughter and applause on the Democratic side.]

I would suggest, however, if permitted to do so, to the gentleman from Massachusetts that the best bait for a fisherman is to be found in Kentucky, but it is never used on the hook.

The above instances are fair illustrations of the ridiculous extremes to which protectionists go. It is a great blessing that the rains, the air, and the sunlight are under the sole and exclusive control of the good Lord above else some Republican would place a prohibitive tariff on them, and no one be allowed the benefits of either who does not vote the Republican ticket or put up campaign funds for that party. There are gentlemen on the other side of the aisle who do not believe that an Italian can run a pushcart fruit stand or a street organ, or that a Greek can run a shoe-shine stand without a protective tariff. [Applause on the Democratic side.]

These instances that I have cited simply serve to show to what ridiculous extremes protectionists will go.

DANGER SIGNALS TO THE FARMER.

When I see such defenders of the tariff system arraigned against the reciprocity bill as the gentleman from Pennsylvania [Mr. DALZELL], as the gentleman from Michigan [Mr. FORDNEY], and the gentleman from Illinois [Mr. CANNON], all of them high priests of protection, I am thoroughly convinced that there is virtue in this measure for the farmers and for the people generally, for the red light on the track is no more evidence of danger to the engineer than the position of those three men on this bill is to me. [Applause on the Democratic side.] When the gentleman from Pennsylvania [Mr. DALZELL] stated, as he did on the 15th day of February last, that the Republican protectionist, when this vote is taken, marches to his doom I am fortified in my opinion. When the gentleman from Michigan [Mr. FORDNEY] stated, as he did in his address to this House, that he was for any amendment that would defeat it or kill it, and to amend it was to kill it, I am further satisfied of the course that I should pursue. When the gentleman from Illinois [Mr. CANNON], the rider of the Republican winds and the stirrer of the Republican storms, stated, as he did in his speech on the 15th day of April, and appealed to all men who are of Republican faith, that if the Republican Party is to live it can live only by being true to and supporting the policies of protection, which policy this bill attacks, my belief becomes a conviction.

The gentleman from Illinois [Mr. CANNON] prophesies penalties will follow the enactment of the bill, and the United States Steel Co. proceeds forthwith to start the discipline to which he no doubt referred. Was the wish father to the thought? Would the protectionist welcome a made-to-order panic in order to forestall the bill? Let the interests bear in mind that the American people have been patient and forbearing, that if the issue to which he refers does come that it will be fought to a finish, and it will be in vain for them to cry "socialism," or if the disasters the gentleman from Illinois predicts do come be it ever remembered that the reciprocity bill is the offspring of a Republican President and that he brought on the difficulty. Let no farmer be deceived by the wail or tears of these men to whom I have referred. Their interest is not for him. They plead but to preserve the protective system and policy, for no one knows better than they that when the hoodwink is removed from the eyes of the farmer and he realizes that he derives no benefit from the protective tariff, then the protective policy is indeed doomed and the Republican Party destroyed. None of them believe in revision downward. The first question for the farmer to solve for himself is whether he is a protectionist. The farmer, like every other business man, is interested in the widest possible expansion of the trade on the best possible terms. I have taken pains to secure first-handed the freight rates on wheat and lumber from cities on the Canadian border and Chicago to points in central Kentucky, the portion of the State in which the district I represent is located. I now send it to the Clerk's desk and would like to have it read in my time.

The CHAIRMAN. The Clerk will read the letter designated in the gentleman's time.

The Clerk read as follows:

WHEAT AND LUMBER—VARIOUS POINTS TO STANFORD, PARIS, RICHMOND, AND VERSAILLES.

LOUISVILLE & NASHVILLE RAILROAD CO.,
*Louisville, Ky., April 27, 1911.*

Mr. HARVEY HELM,
*House of Representatives, United States,*
*Washington, D. C.*

DEAR SIR: Referring to your letter of April 23. The following are the present rates in cents per 100 pounds:

| To— | Wheat, carload, from Duluth and Minneapolis, Minn. | Lumber, rough or dressed, carload, from— | | | |
|---|---|---|---|---|---|
| | | Chicago, Ill. | Williamsburg, Ky. | Pineville, Ky. | Jackson, Ky. |
| Stanford, Ky | [1] 32 | [2] 22 | [3] 9 | [3] 10 | [3] 15 |
| Paris, Ky | [1] 25 | [2] 20 | [3] 8 | [3] 8 | [3] 11 |
| Richmond, Ky | [1] 27 | [2] 22 | [3] 8 | [3] 8 | [3] 12 |
| Versailles, Ky | [1] 25 | [2] 19 | [3] 13 | [3] 12 | [3] 11 |

[1] Carload minimum in cars of 28,000 pounds capacity, 26,000 pounds; carload minimum in cars of 30,000 pounds capacity, 28,000 pounds; carload minimum in cars of 40,000 pounds capacity, 34,000 pounds; carload minimum in cars of 50,000 pounds capacity, 44,000 pounds.
[2] Carload minimum, 34,000 pounds.
[3] Carload minimum, 30,000 pounds.

Yours, truly,

D. M. GOODWYN,
*General Freight Agent.*

FREIGHT RATES INSURMOUNTABLE PROTECTION.

Mr. HELM. Mr. Chairman, the point I wanted to make was that freight rates from Canadian points on wheat and on lumber from Canadian points and Chicago to central Kentucky towns are an insurmountable protection in themselves. From the letter, it appears that the freight rates on wheat from Minneapolis to central Kentucky towns is 32 cents per 100 pounds, or about 20 cents per bushel.

No one has ever claimed that there is a difference of 20 cents per bushel between Canadian wheat and wheat in the United States. The tariff, in my opinion, has never kept a grain of wheat out of the local market in central Kentucky. It has never kept a stick of timber or a plank from Canada out of central Kentucky points. But the freight rate has, and it always will do so. There is always a line in matters of transportation where all profit is consumed by freight rates or transportation, and it is impossible for Canadian wheat to reach central Kentucky towns and pay the freight, tariff or no tariff.

I do not say that there are not spots along the Canadian line, or even a twilight zone along the Canadian line, where wheat by reason of transportation or elevator facilities may not be higher in the United States than in Canada. But it is the exception, and it is not the rule. It should also be borne in mind that the millers of the United States require the hard Canadian wheat to mix with their soft wheat in order to make an export flour. An examination of the prices of wheat at Winnipeg, which corresponds to the Chicago market, will disclose the fact that wheat is selling at Winnipeg, which the gentleman from Indiana, my friend [Mr. CULLOP], well knows, higher than it is in Chicago. The closing prices at each place for the dates mentioned is as follows.

However, I will not read them, but will insert them.

*Closing prices of wheat on Chicago and Winnipeg markets for the days given.*

[May delivery.]

| | Chicago. | Winnipeg. |
|---|---|---|
| Apr. 10, 1911 | $0.88½ | $0.91 |
| Apr. 12, 1911 | .88½ | .90¾ |
| Apr. 14, 1911 | .89½ | .90¾ |
| Apr. 15, 1911 | .91¾ | .93¾ |
| Apr. 17, 1911 | .90 | .92½ |
| Apr. 18, 1911 | .88½ | .91¾ |
| Apr. 19, 1911 | .88¾ | .92½ |
| Apr. 20, 1911 | .90 | .93½ |
| Apr. 21, 1911 | .93½ | .94 |

Two weeks ago May wheat was quoted on the Chicago Board of Trade at 85 cents per bushel. To-day it is quoted at 95 cents per bushel.

The total value of domestic breadstuff produced in the United States in the last five years that the home market could not absorb was $849,802,878. This went into our export trade. We imported only $20,808,905 worth. In the same five years we exported 280,808,905 bushels of wheat, valued at $290,314,150, and imported 3,908,864 bushels of wheat, valued at $3,418,127.

Mr. CULLOP. Will the gentleman permit an interruption there?

Mr. HELM. Certainly.

Mr. CULLOP. On all wheat shipped into this country for export of the kind you have described, to mix with the United States soft wheat, is not the tariff only 1 per cent of 25 cents a bushel?

Mr. HELM. Certainly.

Mr. CULLOP. So that there is practically no tariff on that wheat at all?

Mr. HELM. I wish, Mr. Chairman, to give some front-door propositions, some blackboard demonstrations, as it were, of the situation with reference to wheat and our exports of agricultural and farm products.

I make the broad statement that the freight rate from Canadian points to central Kentucky points will always offset all differences in prices, if any, on all competing products of Kentucky and Canada.

EXCESS OF EXPORTS OVER IMPORTS IN FARM PRODUCTS.

But a few years ago Germany either excluded or threatened to exclude our meat products from her market. This caused a decline in prices and alarmed the farmers. I refer to this as an object lesson, showing that the farmers need the widest market for their surplus products. The merchant who has the most customers is always the most prosperous business man. The United States is, as it were, a gigantic department store; it has everything to sell, and to prosper it must have the greatest possible number of customers. If this vast volume of agricultural products that we are producing here annually, and which our people can not absorb, could not find its way into foreign markets the price of our home products would necessarily fall.

Canada can never be a corn-raising territory; the seasons are too short. Without corn they can put few, if any, hogs on the market. During the five years last past we exported 391,901,418 bushels of corn, valued at $209,856,762, and imported 268,551, valued at $200,128. The reciprocity bill will give us a better market for corn and a better market for hogs.

Carload after carload of cattle leave central Kentucky annually, via Newport News, for Liverpool. All the time there has been a tariff here on cattle and meats of all kinds. The Liverpool market has been free and open to the world. Why has not our tariff made our prices higher here than there? The contrary is true; if it were not, the shipper of the cattle would need not protection but an asylum. The winter season in Canada is longer, necessitating a longer feeding season, with hay and corn to be imported for feeding purposes. The farmers in my section are frequently compelled to go to Kansas City, Chicago, St. Louis, and Cincinnati for cattle to graze and feed their grain to. They rush their calves and pigs to market, thereby losing the weight of the grown and developed animal, which serves to limit the quantity of food, minimizing reproduction also. The difference in freight rates will prevent the butcher stuff from Canada from competing with our butcher stuff in our near-by markets. The beef packers oppose the act because it makes for them a wider territory to control, and their agents who go among the farmers are walking delegates in opposition to this measure.

The exportation of meat products from the United States for the years 1904–1908, inclusive, has varied from $170,000,000 to $235,000,000 in value. If Canadian cattle are cheaper than our cattle, it occurs to me that, the freight rates permitting, it would be to the interest of the Kentucky farmer to buy the cheap feeders there, to which to feed his corn and graze on his grass.

The number and value of cattle raised in the United States in the last five years that the home market could not absorb and that were exported were 1,703,472, valued at $136,244,826. In the same time we imported 310,816, valued at $5,080,856.

The Kentucky farmer often goes to St. Louis, and even as far as Kansas City, for the low-grade cheap horse. The Canadian horse sells for more than the average-grade horse of the United States, and Canada is a splendid market for horses. And for these reasons, together with the protection resulting from freight rates, they are insured against a lower price for their horses. The high-grade Kentucky horse is in a class by itself, and defies all competition. [Applause.]

The total number of horses exported by the United States, as shown by the latest available figures for the years 1904 to 1908, inclusive, was 149,704, valued at $17,900,101, while at the same time we imported 29,852, valued at $8,900,521. In the same year we exported 29,815 mules, valued at $3,948,687.

Having shown the magnitude of our agricultural exports over imports of the same kind, to demonstrate that the tariff can not increase their market value any more than a tariff on raw cotton, on which there has never been a tariff, and of which we raise 13,000,000 bales and export 8,000,000, and which has increased in price from 6 cents to 16 cents per pound, I now desire to present a comparison of our trade balances along the same line with Canada, which is presented in concise form in the letter prepared by the gentleman from Missouri [Mr. SHACKLEFORD], which I will not take time now to read, but I will insert it.

The letter referred to is as follows:

The Lumber Trust and the Paper Trust are waging a fierce fight against reciprocity. They are making desperate efforts to get the farmer to join them. Wherever possible they have enlisted the papers which circulate among the farmers. They try to make the farmer believe that by reason of the tariff he gets more than the fair market price for his products.

Canada has a tariff which operates against our products sold in Canada. We have a tariff which operates against Canadian products sold here. Reciprocity is an agreement between the two countries to modify both tariffs with a view to more extended trade.

In spite of these obstructive tariffs a large trade has grown up between us and Canada. In five years ending June 30, in goods of all kinds—

| | |
|---|---|
| We sold in Canada | $886,417,376 |
| Canada sold to us | 393,913,673 |
| Difference in our favor | 492,503,703 |

These figures show that Canada is a good country for us to trade with. Any country which buys from us more than it sells to us is a good country to trade with. No tariff wall should stand between us and such a country.

Let me show you Government statistics for five years ending June 30—

| | |
|---|---|
| Horses: | |
| We sold in Canada | $14,172,475 |
| Canada sold to us | 2,549,211 |
| Difference in our favor | 11,622,874 |
| Cattle: | |
| We sold in Canada | 1,578,179 |
| Canada sold to us | 1,193,796 |
| Difference in our favor | 384,383 |
| Meat and dairy products: | |
| We sold in Canada | 17,011,017 |
| Canada sold to us | 904,191 |
| Difference in our favor | 16,106,826 |
| Breadstuffs: | |
| We sold in Canada | 31,596,556 |
| Canada sold to us | 6,679,884 |
| Difference in our favor | 24,916,672 |
| Total difference in our favor on above items | 53,030,755 |

I have voted without hesitation for the reciprocity bill both times that it has passed the House because I apprehend no injury to the agricultural interest—a benefit rather than a disadvantage to the farmer—because it will give us a wider market and more customers for our products, and because its passage will ultimately lead to the overthrow of the protective policy, to which policy I am unalterably opposed, by which the farmer has been burdened, oppressed, and taxed to enrich those who do profit by its operations, and because, among its vices, it makes legislative pensions and hand-outs for business cripples and makes crutches for the special interests, furnished them by taxing the people, which interests use the Government as a silent partner as a guarantor against losses. I trust I have, in a measure, demonstrated that the farmer reaps no benefit whatever from protection.

OTHER SIDE OF THE PICTURE.

I turn now to the other side of the picture and will attempt to show who does get the benefit of the tariff, how it is done, and how the passage of the bill known as the farmer's free-list bill will benefit the farmer. At the outset it should be borne in mind that the United States leads all the countries in the world by far in the production of the articles embraced in the proposed free list. And just in this connection let me say that no one would claim that farm labor derived any benefit from the tariff on farm products. Neither does labor get anything out of the tariff on manufactured products. Organized labor gets only what the organization is strong enough to compel the employers to pay, though, generally speaking, when there are two men looking for one job labor goes down, and when there are two jobs looking for one man labor goes up. But be that as it may, we have ceased to hear those familiar speeches on that side of the aisle, "All kinds of work for all kinds of men." [Applause on the Democratic side.]

The farmer's stock in trade is a given amount of earth, ever varying in quality and productive capacity, that can be only utilized for certain purposes, depending, among other things, upon the season. Each farmer pitches a crop that will, in the first instance, support his family. His success depends upon a variety of conditions. It may be a feast or it may be a famine. In the very nature of things he can not organize. Organiza-

tion counts for everything with the manufacturer, whose stock in trade consists of a certain amount of capital invested in a given enterprise. The capacity of his output at fixed charges can be figured to a mathematical certainty as to quality, quantity, and cost. The different manufacturers can act in concert and can be put in action with military discipline. A given type of machinery, manipulated by an expert, produces a fixed result daily, while the farmer, operating along the best lines, can not control the yield, and he never knows what the harvest will be. What chance has a farmer with a surplus of 50 bushels of wheat to sell against a combined world's surplus of 544,000,000 bushels of wheat?

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HELM. Mr. Chairman, I ask unanimous consent to proceed further for five minutes.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to speak for five minutes more. Is there objection?

Mr. DALZELL. Mr. Chairman, there is no objection on this side of the House to the extension of the gentleman's time.

The CHAIRMAN. The gentleman from Alabama is temporarily absent. Without objection, the gentleman will proceed.

Mr. HELM. How can the farmer at seeding time anticipate the world's production of the crop he pitches, as compared with the manufacturer, who can figure within a small fraction of what the trade will absorb? How different is his condition from that of the manufacturer or of the operators of the Brockton (Mass.) shoe factory, which has an annual output of $144,291,436 worth of shoes out of a total annual domestic production of $320,107,458 worth? How can the farmer ever know the exact cost of the other farmers' product on the market? The manufacturer does know the output that the trade will absorb, the cost of his own finished article, and the cost of his competitor's article, and can apply the protective tariff in the way of profit with mathematical accuracy, all the way from the fraction of a cent to a prohibitive tariff.

The prohibitive tariff is a legislative license to the manufacturer to charge the consumer what he pleases. It amounts to a concession, and can be utilized to multiply his profits. If the object of the tariff is not to make him a profit, what does the manufacturer want with it? It follows that the higher the tariff that can be brought into play the greater the profit. But the farmer is helpless to bring it to bear upon his output, his crop, or product, because he is unable to organize and control the cost, the quantity, and the selling price of the same. He is completely at the mercy of the manipulation by the boards of trade of the world's surplus, over which boards he has no control and in which he has no interest, and which he should avoid as religiously as he would avoid a gambling den.

WHAT FREE LIST SAVES THE FARMER.

Turning to the free list and taking the year 1905—the data for which is the latest available, because the departments are a set of masked batteries from which information can only be extracted, as it were, by a corkscrew—and apply the Payne-Aldrich tariff rates, we find that our domestic consumption that year of agricultural implements like those made free in this bill was $90,623,231 worth. These implements have a duty of 15 per cent protection, which amounted to $13,593,484, which sum represents the tariff profit to the manufacturer, and without which the same implements could have been purchased by the consumer for $77,059,747. In the same year our manufacturers sold at a profit in the open markets of the world, after paying freights and tariffs in foreign countries, the same class of implements to the value of $20,731,741.

They tell us that these implements come in free from countries that impose no tax or duty on like articles imported from the United States. They fail to state, however, what countries, if any, that produce these implements do not impose a duty on the articles that go to them from the United States. They say that foreign agricultural implements cost more than those made here. Since when did this happen? It is about as sudden as Cook's discovery of the North Pole and about as reliable. [Applause on the Democratic side.] What has become of the foreign pauper labor that gentlemen on that side of the aisle have harped on for the last 50 years?

In the same year our domestic consumption of sewing machines and parts amounted to $20,039,721. Applying the 30 per cent protection in the Payne bill, we find that the duty tax amounts to $6,011,916, which sum represents the tariff profit to the manufacturer, and without which the same machines would have been purchased by the home consumers for $14,027,805.

During the same period these same manufacturers sold at a profit in the open markets of the world these machines to the value of $6,104,000.

The CHAIRMAN. The gentleman's time has again expired.

Mr. SHERLEY. Mr. Chairman, in the absence of the gentleman from Alabama [Mr. UNDERWOOD] it seems proper that the gentleman from Kentucky [Mr. HELM] be granted additional time. I take the responsibility, on behalf of the gentleman from Alabama, of yielding to him 10 minutes.

The CHAIRMAN. If there be no objection, the gentleman will be recognized for 10 minutes more.

There was no objection.

Mr. HELM. Of a total domestic consumption for the same year amounting to $243,555,127 worth of sole, tanned, and curried leathers, on which the lowest rate is 5 per cent tax duty, the tariff profits to the manufacturer was $12,177,756, which, deducted from the actual cost, leaves $231,377,371, the amount it should have cost the consumers. Selling at the same time $9,444,873 worth of sole leather alone at a profit in the open markets.

In the same year the domestic consumption of boots and shoes produced in this country amounted to $311,942,303; allowing the lowest rate of 10 per cent, it amounts to $31,194,230, which, deducted from the actual cost, leaves $280,749,073, the amount the consumer should have paid for the total consumed. In the same year the same manufacturers sold at a profit in the open markets of the world $8,057,697 worth of said boots and shoes.

For the same year our domestic consumption of harness and saddlery amounted to $42,497,340, on which there was a tariff benefit in the interest of the manufacturer amounting to 20 per cent, yielding them a profit of $8,499,468, and which deducted from the actual cost leaves $33,997,872 that the consumer, except for the tariff, should have paid for same.

In the same period the 50 per cent per thousand tariff on shingles, of which the home consumption amounted to $23,940,089 worth, cost the consumer $7,241,566 more than he should have paid, except for the tariff. At the same time the consumer, by reason of the tariff on laths, paid the manufacturer $500,000 more than he would have done but for the tariff concession to the dealer.

Thus it appears from the few items in the free-list bill that I have been able to get accurate data upon, showing a total annual domestic consumption of $708,657,722, yielding no revenue whatever to the Government, there will be an annual saving in the passage of the bill of $79,218,410 to the home consumer of these items, which sum represents manufacturers' tariff profits, exclusive of trade profit. I have been unable to obtain from the masked batteries of the departments sufficiently accurate data to show the increased cost to the consumer on the many other items in this proposed free list, such as barbed wire, salt, wire rods, ropes, and so forth, by reason of the tariff rates, but I have sufficient information to warrant the statement that the passage of the free-list bill means an annual saving far in excess of a hundred million dollars to the consumer, solely by reason of the removal of the tariff rates, while the total annual loss of revenue on all imported items of like character in the bill now amounts to only about ten millions, which can be easily recouped by economies already inaugurated.

Lest we forget, I want to remind the Members that the above profits do not represent all that Congress, under Republican control, has done for the manufacturer in the way of grace. There is couched in the Payne-Aldrich bill what is known as "the drawback clause," which is another method by which the manufacturer gets his gain, if, perchance, he does pay any customs duty on imported material which he uses and which he in turn charges up to his victim—the home consumer—and which the Treasury refunds to him as its favored child if the goods are sold to a foreigner.

OLD GUARD RETREATING IN DISORDER.

In the face of these manifest blessings that will come to the farmer through the passage of this free-list bill, the gentleman from Illinois [Mr. MANN] undertakes to laugh the bill out of court, so to speak, to pooh-pooh and make light of a measure drafted in the interest of the toiling masses of the people, and with an air of derision, in his discussion of the bill on the floor of this House, asks, "What are agricultural implements?" Does he need a photograph or a sliding picture to identify an agricultural implement? I observe that when he wanted evidence the gentleman read a letter from a trust magnate, generally not a disinterested witness when it comes to the free list, beginning with the International Harvester Co., the United States Steel Corporation, shoe and leather associations—professional jurymen, as it were, who are always in easy reach and touch.

It is written, "Where your treasure is, there will your heart be also." I have heard it said that there are none so blind as those who will not see.

It is generally true with the debater that when he is compelled to resort to ridicule exclusively the facts are against him. The question is, Are you in favor of extending the free list? If so, do not pull back. You have attempted to show by your tables that foreign-made agricultural implements sell higher in foreign countries than the same kind of implements made here sell for. Then, why do you object to the repeal of the tariff? Of what benefit is it if their implements cost more and sell higher than ours? I again ask you, What has become of that "foreign pauper labor" over which so many fits have been thrown on that side of the House? How was it that you had such a nightmare over the meaning of the term "agricultural implements" when on the 14th day of last February the gentleman from Pennsylvania [Mr. DALZELL] moved to recommit the reciprocity bill to the Committee on Ways and Means with instructions to report the same back with the addition of the following articles on the reciprocal free trade list:

Fresh meat and all meat products.

What were meat products then? Rats?

Flour, cereal foods, bran, agricultural implements, cotton ties and bagging, binding twine, and lumber.

What were agricultural implements then? You voted for it. Were the market-garden supplies of Peter Henderson & Co., of New York City, agricultural implements or fine tooth combs then? Were farm wagons agricultural implements or aeroplanes? The gentleman said that burlap has recently become useful as a decoration for walls. Has the latest fad come in since the gentleman from Pennsylvania moved to recommit? Was macaroni a cereal food or angel food then? [Laughter and applause on the Democratic side.]

The gentleman might increase his salary a dollar's worth if he will tell this House what cereal foods were then. How is it that the International Harvester Co. have left the United States to establish plants in foreign countries in which the cost of their output is greater than in the United States? That does not ring true.

In the first place, no doubt, they had the plant, but what on earth has become of that "foreign pauper labor" of the old countries where material is scarce? Again, he tells us that the packers have plants in Argentina, a new country that is developing rapidly. Of course there is pauper labor there, and everything is cheap in new countries, especially in Alaska, where one of our 10-cent dairy lunches costs a dollar. [Laughter.] But, of course, the Argentine packers can flood the markets of the United States, while the harvester company can not sell one of its foreign-made machines here, even though the machines are put on the free list.

The gentleman from Illinois [Mr. CANNON] drew a beautiful picture of the prosperity of our country and attributed it all to the policy of protection. We have prospered, but the price that was paid was a dear one, after all. We have a country of marvelous resources. When I think of it as compared with the other countries of the world, the parable of the sower rushes to my mind.

Christ, speaking to the multitude, said:

Behold a sower went forth to sow, and when he sowed some seed fell by the wayside, and the fowls came and devoured them up; some fell in stony places where they had not much earth, and forthwith they sprang up because they had not much depth of earth; when the sun was up they were scorched, and because they had no root they withered away; and some fell among thorns, and the thorns sprung up and choked them; but others fell into good ground and brought forth fruit, some a hundred, some sixty, and some thirty fold. Who hath ears to hear let him hear.

Ours is the good ground that has brought forth a hundredfold in spite of the baleful influence of protection. [Applause on the Democratic side.]

The gentleman from Illinois says that we have but scratched the resources of this great country. I hope that what he says is true, but I trust that, whatever the future has in store, this unfolding wealth will escape the grasp of the small group of men who now control two-thirds of the wealth of the Nation. To-day the Republic of Mexico is in a state of revolution because the President of that Republic has peddled out everything of value by way of concession. But a few years ago, under the reign of Mark Hanna, more trust and holding companies were formed than in all the past history of this Government. The reins of this Government were turned over to him, while he, in turn, handed out to predatory wealth powers and rights that we are trying to regain and control, not by revolution, but by processes of the laws' delay.

Mr. UNDERWOOD. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. SWEET].

Mr. SWEET. Mr. Chairman, this bill is for the benefit of the great body of consumers both in the country districts and in the cities of our country. A large proportion of those who are now opposing this bill belong to that faction of the Republican Party which in the last Congress favored the Payne-Aldrich tariff bill, which so flagrantly discriminated against consumers. These same Members are opposed to the reciprocity agreement with Canada. Their tariff position was plainly stated by the gentleman from Illinois [Mr. CANNON] a few days ago when he said:

I voted for the Payne-Aldrich bill. I agree with the President in what he said at Winona—that it is the best protective tariff bill ever passed. I still believe that. If I had supreme power, I would wipe out some things in it.

The Payne-Aldrich bill and the supreme power of the gentleman from Illinois while he was Speaker were the chief issues last November. The people condemned the former as an unjust measure, and their condemnation of the latter was scarcely less pronounced.

The standpat Republicans are now charging the Democratic majority with "playing politics" because we have not combined the reciprocity measure and the free list in a single bill. This is an easy charge to make, and it is often made by the rankest politicians, on the "stop-thief" principle, in order to turn attention from themselves.

There are two ways of "playing politics." One is the old way which our friends on the other side of the aisle have played until it is threadbare. Their method is based on insincerity. Its foundation is a sham and its superstructure is deception and fraud. [Applause on the Democratic side.] The stand-pat Republicans have had long experience and can give us pointers in this manner of playing the political game.

But there is another way of playing politics. It consists of right doing because it is right and of gaining popular support by deserving it. Let me illustrate.

The people demanded a downward revision of the tariff with a just regard for the interest of the consumer. Republicans knew this and admitted that they did when they put into their national platform of 1908 a promise to honor this demand. If they had fulfilled this promise, it would have been playing politics according to the new rules, which they had not then and have not yet learned. For obvious reasons they can not give us pointers on this modern game. This recalls the experience of a representative of the Fort Wayne Electric Co., who sold a dynamo to an old German miller in a little town in Ohio. The agent inserted in his bid an item of $75 for the time and expenses of an expert to connect up the dynamo. When the old German saw this item he said:

Cut that out. Me and my boy Herman vill set her up ourselves.

A week after the dynamo was delivered the agent received a letter from the old man, in which he said:

Your dynamo is no good; she von't vork. I vish you vould come und take her avay.

The agent wrote a letter in reply, in which he said:

The Fort Wayne Electric Co. furnished the brains to make that dynamo, and it is as good as any on the market. The railroad company furnished the brains to bring it to you. You said you and Herman could set it up, and just because you don't know enough to do so you want me to take it back or to furnish the brains to make it work.

A few days later he received a postal card from the old German, in which he said:

The dynamo, now she vork all right; me and Herman fix her. But if she don't, I vouldn't ask you to furnish someding vot you don't carry in stock.

[Laughter.]

The gentleman from Kansas [Mr. MADISON], with impressive emphasis, also accused the majority of playing politics because they refused to present these two measures in a single bill. He voted for the reciprocity measure, and I have no doubt will vote for this bill. No one questions his sincerity. He believed that the two measures should be joined, because in that form he thought their chance of favorable consideration in the Senate would be increased. In this his judgment is at fault, and from this error of judgment he has been led to make a charge which has no foundation and which he will regret.

Before leaving my home to attend this extra session I considered with great care the best manner of bringing forward these bills. There were three possible courses. First, to pass the free-list bill at the outset, in the hope that it would pass both Houses, holding back the reciprocity measure as a menace, which might be supposed to have considerable effect upon the President. This plan I discarded, because it was putting the cart before the horse. It was not the logical order. It involved the postponement of the very measure we were called in extra session to consider, and smacked of disrespect to the President.

The second plan that occurred to me was to tack the two measures together just as these gentlemen say we should have done. The reasons for discarding this plan were to my mind still more apparent. I had no doubt that the combined measures could be carried in the House by a safe majority, but I was equally confident that they would not in that form pass the Senate. From what transpired, or rather failed to transpire, in the Senate at the last session of Congress, it was safe to assume that the reciprocity measure had many enemies in that body, although it is quite probable that its enemies are not now as numerous as they were then.

But it is safe to say that even at the present session if these measures pass the Senate, it will be by the vote of some Senators who are not enthusiastic in their favor, and possibly by the votes of some who might welcome a plausible excuse for opposing them. The question, as I viewed it, was this: Would not the addition of the free list to the reciprocity measure furnish just such an excuse? Would not the combination of the two bills incur the hostility of every Senator opposed to either of them? Moreover, would it not enable a Senator to vote in the negative without incurring the full responsibility of his vote? It is of the highest importance that the vote of every Member of either House should place him clearly and distinctly on record, so that his constituents can tell exactly where he stands. When two distinct measures are joined together this is impossible. The present case affords an admirable illustration. A Member who might desire to shirk responsibility could vote against the combination measure and when afterwards called upon to give an account of his stewardship he could claim that he was compelled to vote as he did because of his opposition to either one of the two measures, though making a pretense of favoring the other; and if he were inclined to "play politics" he might have one excuse for the manufacturer and another for the farmer.

We on this side believe both measures are right. We want both of them to pass. They are both opposed by standpatters, and we "love them for the enemies they have made." If the reciprocity measure becomes a law, as we believe it will, we are confident that an inherent sense of justice operating upon the minds of Members of both Houses and of the President—justice to the wage earner, who needs cheaper shelter and food; justice to the farmer, who has never received any material benefit from protection and who thinks that the reciprocity measure unfairly discriminates against him—will cause the present remedial free-list bill to also become a law. An all-pervading sense of justice is one of our distinctive national traits inherited from our Anglo-Saxon ancestors. It permeates the great mass of our people, and it is well for their Representatives to keep that fact in mind.

Personal views have been expressed by Members on both sides of this House as to the probable fate of the present bill in the Senate. Such expressions are mere guesses without the slightest binding force upon anyone. So far as I am concerned, I refuse to be bound in the slightest degree by the opinions of others upon this point. The people of the United States have said that they want the cost of living reduced. Reciprocity with Canada gives some help in that direction. This bill gives still more. Before the election last November I promised to do what I could to that end. I shall keep that promise by voting for this bill. If Senators do not listen to this demand of the people that is their affair, not ours.

My sincere belief, however, is that the Senate will pass both these measures. Senators know what the common people of America are thinking and saying, and I believe that they will perform their duty in this matter both from motives of policy and from motives of humanity. If they see fit to combine these two measures and to send them back to the House in that form without amendments which seriously impair their value I, for one, shall be glad to give them my support.

The third method which I considered, and which I made up my mind was the most logical, the most likely to succeed, the least open to the charge of "playing politics," and in all respects the best, is precisely the one which was reported by the Ways and Means Committee and which we are now pursuing. It is the natural method; it is straightforward; it is businesslike. It affords the most conclusive evidence of our sincere desire that both these measures should be adopted, and all of our countrymen who are not blinded by partisanship will recognize the purity of our motives and will give their hearty approval to our conduct.

I come from a district which is largely agricultural, and, I might add, largely Republican. It lies in the so-called "fruit belt" of Michigan. We raise enormous quantities of peaches and apples. From Grand Rapids, my home city, we ship peaches, not by the carload, but by the trainload. Our farmers are applying the most scientific methods to the care of their orchards. They keep the ground well tilled and spray the trees. I know a farmer in my district—and he is a good Democrat—who has 1,400 acres of land. His farm buildings are numerous and well painted. From a distance they look like a small village. He has an apple orchard of 40 acres. He planted the trees himself 24 years ago. He recently refused $60,000 for the 40 acres—$1,500 per acre. He has an automobile, as have many of our other farmers.

The gentleman from Iowa [Mr. PICKETT] said that farmers were leaving his State and going farther north. They are not leaving the fifth district of Michigan. They are prosperous, and neither need nor desire to tax the less fortunate wage earners of the cities in order to put more dollars into their own pockets. Their generosity is proverbial. It has been claimed that the Good Samaritan was a commercial traveler, because he said: "When I come again I will repay thee." But this claim is not sustained by the facts. The farmer in olden times brought his produce to the city, as he does to-day, but often from very long distances. He frequently traveled the same road back and forth. The fact is the Good Samaritan was a farmer, and the farmers of my district are his lineal descendants. [Applause on the Democratic side.] They are not only prosperous and generous, but they are also intelligent. When you Republicans put a tariff on wheat you did not fool the farmer in my part of the country. He voted your ticket, and was good naturedly satisfied to pay a tariff tax on everything he bought in order to give the manufacturing interests a lift.

But he knew all the time that wheat was an article of export and not of import, and he was not fooled by the pretended protection you gave him. What he did he did with his eyes open, and until you carried the thing too far and continually increased the tariff rates instead of lowering them, as you said you would, he made no complaint. When in the campaign of 1908 you and your candidate for President promised a reduction of tariff rates, the people accepted your terms, elected your candidate, gave you the control of both Houses of Congress—in a word, they completed the contract with you. The reason why they have lost confidence in you is because you broke that contract.

I do not wish to be understood as claiming that a majority of the farmers in my district are in favor of the reciprocity measure, but in almost every case which has been brought to my knowledge, where there is objection, it is not so much to the measure itself as it is to the injustice, after all these years of self-imposed sacrifice for the benefit of the manufacturer, of removing even the nominal and visionary benefits supposed to be conferred upon farm products without a corresponding removal from the output of the manufacturer.

Their position is stated with remarkable clearness in a letter I recently received from the master of the Michigan State Grange, Mr. N. P. Hull, of Dimondale, Mich. He says:

> As master of the Michigan State Grange, the largest farmers' organization in Michigan, an organization composed of 60,000 of the best farmers and their families in the State, I want in their name to make one last appeal to you in the interest of plain justice and fairness. If protection is an advantage and the capital and labor of the manufacturer are to be given that advantage, then by what principle of justice are we to be refused it? Have we not been loyal citizens? Have we not done our part to build this Nation and to make it wealthy? Have we not given as freely of our blood and of our treasure to maintain it in both war and peace as has our brother in the city? If legislation to lower the price of farm products is desirable, why is it not equally desirable to lower the price of other men's labors? What arguments can the cities bring for reciprocity with Canada in farm products that would not be as forceful and logical for us to use in favor of reciprocity with England in manufactured products?

He concludes with these significant words:

> All we ask is a square deal, the same protection for our labor and investments as other classes enjoy, an equal opportunity with others to provide for ourselves and our families. In God's name, are we not entitled to this?"

What the farmer wants is simple justice. He is willing to take his chance of a slight reduction in what he has to sell, provided he is given the benefit of a fair reduction in what he has to buy. That is precisely what this bill aims to do. It puts on the free list, not only from Canada and from England but from all the world, agricultural implements, wire fencing, lumber, fence posts, harness, shoes, meats of all kinds, bags for grain, bagging for cotton, sewing machines, and so forth.

The farmer and the laborer in the city are the consumers of these things. They know that most of them, even when produced in this country, are sold in foreign markets at lower prices than they have to pay for them. They know that their own earnings for the year are the difference between the amount they receive and the amount they pay out. They know that if the International Harvester Co. gets from the farmer $20 more than it should for a grain drill and $40 more than it should for a self-binder these sums are deducted from his net earnings.

Years ago, when the farmer was beguiled into the belief that the protection of infant manufacturing industries would create a greater home market for his products, he willingly submitted to the tax imposed upon all his purchases in the hope that it would prove a good investment, and that he would some time or other get his money back with interest.

He never dreamed that the principle of protection was to be a permanent policy. He never dreamed that it was to be carried to the extent of building up great monopolies in our own country. He never dreamed that tariff-fattened manufacturers would attempt to debauch legislation in their own interest and against the interest of those whose enforced contributions had made them multimillionaires. Even now most of the farmers in my district cling to the belief that there is inherent merit in the principle of protection properly applied, but they see no justice in tariff measures which absolutely ignore the interests of the great consuming public and make the rich in our country richer and the poor poorer. [Applause on the Democratic side.]

Although the reciprocity measure was not an issue in the campaign last fall, I have made an honest effort to ascertain where the people of my district stand on that question. I have sent out several hundred letters asking for a frank expression concerning it. A majority of the replies are favorable to reciprocity, and, so far as I can learn, the opinion that it should be followed by the free-list bill now under discussion is almost unanimous. The only opposition to the free-list bill comes from a few special interests among manufacturers who fear it will reduce their profits.

The opponents of these measures have frequently said during the progress of this debate that a reduction in the price of cattle would not cheapen the price of the poor man's meat because of the manipulations of the Beef and Packing Trusts. If that is true, God help the poor, for Congress confesses its inability. If it is true, no reason can be given except that under the shelter of the tariff foreign competition has been removed and home monopolies have grown so strong as to be absolutely beyond our control. If there is no relation between the price these monopolies pay for what others produce and the price they charge when they come to sell substantially the same articles, the happiness and even the lives of our people have been placed in their hands.

If those on the other side who have used this argument realize the full force of what they are saying they ought to be the first ones to advocate the opening of world-wide competition, in order, so far as possible, to break down these merciless monopolies. If natural competition at home, which would induce cheaper selling where there is cheaper buying, is so far a thing of the past that all natural laws are eliminated, the most beneficent purpose which can possibly be served by the adoption of this bill is to be found in the admission of competition from abroad and the consequent destruction of these monopolies.

The bill under consideration is not too drastic. It will not cause the sacrifice of a large amount of revenue. By cutting off unnecessary employees and by businesslike economies in the House of Representatives alone a saving of about $182,000 per year has been effected. If that proportion, or anything like it, should be carried out through the other departments the $10,000,000 loss of revenue which this bill will cause will be made up many times over in a manner which will meet the approval of every business man and every thrifty farmer in the country.

These two measures, in my judgment, constitute the best legislation which has been enacted in this Chamber for many years, and yet they are merely the repeal of former legislation. They merely restore to the people natural rights which have been taken away by law. Buckle, the great English author, asserts that the best legislation of modern times is that which abrogates former legislation. He is speaking of England. In proof of this statement he cites the corn laws, which were passed for the purpose of enabling the English landlord to get higher rents. They were passed without serious objection, but it required for their repeal years of the hardest kind of fighting in Parliament and a war of classes which cost many lives. He cites the laws restricting the freedom of the press and the freedom of speech, and calls attention to the years of effort on the part of the greatest English statesmen to repeal those laws.

It is only within a few years that our own people have come to realize how the principle of protection can be misused. The climax was reached by the adoption of the Payne-Aldrich bill, when our people saw that special interests were in the saddle and that the very wealth which had been diverted from the many to the few was being used not only to perpetuate the system, but to render it still more oppressive. To place the people back in control of their own Government, to set right the wrongs they have suffered, to effect so far as may be a more just distribution of wealth, to remove the burden from shoulders that are unable to bear it, to bring the comfort of warm clothing and proper nourishment to those who can not now afford them, to call a halt in the mad march of money getting, to make a start at least toward a broader and better humanity; these are purposes which are inspiring the people in their widespread insurgency, and they are purposes which may well control the actions of this body. [Loud applause.]

Mr. UNDERWOOD. Mr. Chairman, I yield two minutes to the gentleman from Indiana [Mr. BARNHART].

Mr. BARNHART. Mr. Chairman, during a colloquy this morning on the floor of the House between the distinguished gentleman from Massachusetts [Mr. WEEKS] and myself I asked him the question if it was possible that the contracts of the United Shoe Machinery Co. with shoe manufacturers might not be responsible, in a measure, for the increased prices or the constantly increasing prices of shoes. He very emphatically denied that that could be possible. About the time that my friend was delivering this speech a Senate committee was holding a hearing on that very question. The statement made in that hearing this afternoon was such that I believe it is important that, in conjunction with my colloquy with the gentleman this morning, I be permitted to extend my remarks in the RECORD to cover the evidence given in this hearing before the Senate committee this morning. I therefore ask unanimous consent to print this report in the RECORD.

The CHAIRMAN. The order has already been given authorizing Members to revise and extend their remarks in the RECORD.

The matter referred to is as follows:

Sensational and startling testimony as to the extent to which the United Shoe Machinery Co., of Boston, known as the Shoe Machinery Trust, has the shoe manufacturers of the United States under its domination was given to-day by shoe manufacturers before the Finance Committee.

The story told by the shoe manufacturers seemed to make out so complete a case of violation of the antitrust laws that one of the ablest lawyers in the Senate expressed himself freely in commenting on it.

"I think that if these hearings are transmitted to the office of the Attorney General the United Shoe Machinery Co. will have trouble on its hands," he remarked.

He did not hesitate to declare that the contracts which the Shoe Machinery Trust virtually forces manufacturers to sign are invalid. He declared that the signature of such contracts in some of the States would be a crime.

The whole Finance Committee pricked up its ears and took notice as witnesses recited the details of the story of how the United Shoe Machinery Co. held the shoe manufacturers of this country in thralldom, and how, under the system pursued by the company in question, the foreign manufacturers of shoes, especially the English, got much more favorable treatment than American shoe manufacturers.

The hearing set out to be one in which the shoe manufacturers were to tell the Finance Committee why they ought not to be subjected to free shoes. But it had not got far before the United Shoe Machinery Co. was run into. The committee found itself much more interested in the story of how what is alleged to be trust was keeping the shoe manufacturers in subjection than it was in the simple matter of duties on boots and shoes.

If the temper displayed at the hearing to-day by Senators who were told about the shoe machinery company is any indication, there will be strenuous demand in the Senate for prosecution of the United Shoe Machinery Co. and for the testing in the courts of the validity of its contracts.

The witnesses before the committee to-day were members of the Western Shoe Manufacturers' Association. They came from St. Louis, Chicago, Milwaukee, and other shoe manufacturing centers of the West. The first one to speak was William D'Oench, of St. Louis, of a leading shoe company there. Mr. D'Oench started out to tell the committee how the shoe business had suffered because the duty had been lowered on shoes from 25 per cent to 10 and 15 per cent.

The witness recited to the committee the list of articles going into the manufacture of shoes and the duty on each.

In this connection Mr. D'Oench pointed out that the English manufacturer of shoes had a great advantage in that all the articles used in shoemaking could be imported free in that country, while here there were duties imposed on these articles. He cited the case of a certain kind of wire, which costs 14 cents in England and 36 cents here.

It was at this point that the committee began to learn something about the operations of the United Shoe Machinery Co. Mr. D'Oench was asked why the American manufacturer did not import the wire, since the English cost plus the duty was far less than the American cost.

Mr. D'Oench explained that the United Shoe Machinery Co., which he said was a trust, controlled in this matter. The American shoe manufacturers signed leases on the machinery of the company and at the same time had to use the material furnished by the company. The company controlled the wire about which he had been talking.

"The Shoe Machinery Trust owns practically all the shoe machinery in this country," said Mr. D'Oench.

In answer to questions, he said it was a Boston concern and was an American organization.

Senator HEYBURN, Senator SMOOT, and others asked if it did not control the patents to the machinery in question, and if this control was not the basis of the alleged monopoly.

"The basic patents have expired," said the witness.

He then explained that the only way the American manufacturer could get shoe machinery was to lease it from the Shoe Machinery Trust, which at the same time furnished the wire and other parts. Mr. D'Oench said as good machines could be got in Europe, but there was a 45 per cent duty on them.

Senator SIMMONS asked why not abolish the duty.

"That would relieve us very much," said the witness.

Senator SMOOT then asked why the American shoe manufacturers did not buy English machines and pay the duty.

"Because the United Shoe Machinery Co. would come into our plants and take every machine out."

In the course of the hearing it developed that the shoe manufacturers were tied up to the Shoe Machinery Trust by 17-year contracts, that the trust had some machines which the manufacturers could not get in Europe, and that unless the Government smashed the United Shoe Machinery Co.'s alleged monopoly the manufacturers felt they were helpless.

Mr. D'Oench told of the efforts of Thomas G. Plant, of Boston, to compete in making shoe machinery with the trust, and how some months ago the trust bought him out.

Milton S. Florsheim, of Chicago, gave other details of the grip the Shoe Machinery Trust has on the manufacturer here. He said there was no market here for a competing shoe machinery company, because the manufacturers of shoes here were tied up by 17-year contracts, and no capital would go into the business of competing with the shoe machinery company.

Mr. BARNHART. Therefore, Mr. Chairman, it seems that the United Shoe Machinery Co. is protected by a 45 per cent tariff wall, and it avails itself of this protection to arbitrarily fix its own terms as to lease price and conditions to shoe manufacturers, who are thereby forced to pay any prices the Shoe Machinery Trust imposes. Of course the ultimate consumer—the wearer of the shoes—pays the extravagant profits which the United Shoe Machinery Trust admits it is making, and the gentleman from Massachusetts has been led into error.

Mr. UNDERWOOD. Mr. Chairman, I yield 45 minutes to the gentleman from Georgia [Mr. HARDWICK]. [Applause.]

Mr. HARDWICK. Mr. Chairman, in opening the debate in opposition to the pending bill, the gentleman from Illinois [Mr. MANN], the brilliant leader of the minority, after criticizing the language of the free-list bill, undertook to say that up to the present time the legislative program of the Democratic Party in this body consisted solely of warmed-over Republican legislation.

The gentleman had reference, of course, to the resolution proposing an amendment to the Constitution of the United States so as to provide for the election of United States Senators by the direct vote of the people and to the bill providing that there should be publicity of campaign contributions and expenditures before as well as after the election. When the gentleman took the position that the Democratic Party, in presenting these measures, was merely tracking Republican footsteps, he disregarded the record and the facts.

The Democratic national platform of 1904 and 1908 contained a clear-cut demand for an amendment to the Constitution of the United States so as to provide for the election by the people of United States Senators, and I have yet to read in any Republican platform of either of the years I have specified, or in any other year, where that party has taken such a position.

Mr. MADDEN. Mr. Chairman, will the gentleman yield for a question?

Mr. HARDWICK. Certainly.

Mr. MADDEN. Is it not a fact, however, that the Republicans did through the Congress pass such resolutions or bills prior to the coming in of the Democratic Party at this time?

Mr. HARDWICK. It is not a fact. On three separate occasions in recent years joint resolutions to so amend the Constitution of the United States have passed a Republican House——

Mr. MADDEN. I mean the House.

Mr. HARDWICK. And every time they met an untimely death at the hands of a Republican Senate. [Applause on the Democratic side.]

Mr. MADDEN. The gentleman will not deny they were introduced in the House by Republicans and passed by Republicans.

Mr. HARDWICK. And by Democrats as well; but the Republicans, it must be remembered, Mr. Chairman, not only controlled the House, but the Senate, and what they gave the people with one hand they took from them with the other. Moreover, Mr. Chairman, in his opening speech the gentleman from Illinois [Mr. MANN] contended that in presenting the Rucker bill to amend the law relative to publicity of election contributions and expenditures so as to require publicity before as well as after the election we were simply tracking Republican legislation. The fact is precisely otherwise. In the Democratic platform of 1908 there was a plain, clean-cut demand for this publicity legislation. The demand was specific that the legislation should include publicity before as well as after the election. I have yet to read in the Republican platform of 1908 or in that of any other year where that party indorsed this legislation in any form.

Mr. MADDEN. What difference does it make about the demand if the fact obtained?

Mr. HARDWICK. None, if the fact did obtain. Let me tell the House what the facts were in reference to this legislation, and then our good friend from Illinois [Mr. MADDEN] will understand how unmerited is the criticism that his brilliant colleague, the leader of the minority, has ventured to make on this floor in reference to the subject. In the last Congress we did pass through a Republican House what was generally known as the McCall campaign publicity bill, and I happen to know that that bill was literally forced out of an unwilling Republican committee and through a reluctant Republican House on account of the political exigencies of the hour and because of the attitude of a Republican President. I know something of these facts, because I served for years on the committee that perfected and reported this measure. The bill, as the House committee reported it, provided for publicity in respect to these campaign contributions and expenditures before election as well as after, and it passed the House in that form, and when it went to a Republican Senate, that body, in the exercise of that infallible wisdom for which it is noted, saw fit to provide that the publicity should be had after the election was all over——

Mr. MARTIN of South Dakota rose.

Mr. HARDWICK. The gentleman will pardon me for a moment—and saw fit to provide that the stable should be locked after the horse was stolen, to use a homely but forceful phrase, and in conference this House was forced to accept the Senate's position, and did accept it on the theory that half a loaf is better than none; and that the bill, as amended by a Republican Senate, was at least a step, although a very short one, in the right direction. Yet the brilliant gentleman from Illinois, the able leader of the minority, has ventured to state that in presenting this measure in the exact form in which it is demanded by the Democratic national platform, and in a very different form from what a Republican Senate forced us to accept in the last Congress, that we are simply presenting warmed-over Republican legislation. God save the mark! I now yield to the gentleman from South Dakota.

Mr. MARTIN of South Dakota. Is not the criticism of the gentleman upon another body rather than upon this House, and in that connection I would like to remind the gentleman that when the gentleman from North Carolina [Mr. KITCHIN] opened the debate on the Canadian reciprocity bill, I think in the first paragraph of his speech—and it can be verified if the speech is ever revised and published; I think it has not been published yet—he stated, and got glory out of the fact, as he said, that a Democratic House had done more in the few short weeks of the session than the Republicans had done in 10 years, while I find, upon looking up the record——

Mr. HARDWICK. I would prefer that the gentleman make a speech in his own time, as I do not wish him to take up too much of my time——

Mr. MARTIN of South Dakota. I wish to say that three times a Republican House has done the same thing——

Mr. HARDWICK. I have just stated the facts to the House, both in regard to the election of Senators and to the campaign publicity law, and if the Republican Party can get any glory out of its record in both the House and the Senate on these questions, it is entirely welcome to do it.

Mr. MARTIN of South Dakota. It never passed a Democratic House at any time when you had it.

Mr. ADAMSON. We had better Democratic Representatives in the House than in the Senate——

The CHAIRMAN. Gentlemen who desire to ask questions must first address the Chair.

Mr. HARDWICK. No; these propositions were not presented in Congress during Cleveland's administrations because the abuses which have formed public sentiment on these questions had not then occurred. So much for that.

Mr. HARDY. If the gentleman will permit, I just want to suggest to the gentleman that he has omitted the important fact that after this Congress adjourned and the campaign was in progress the Democratic executive committee did put that into operation and published the contributions before election, while the leaders of the Republican Party absolutely refused to comply with that suggestion.

Mr. HARDWICK. The gentleman may, of course, be right about that. I do not recall. The question I am discussing is the political record of the two parties in both Houses of Congress in reference to this legislation.

Now, Mr. Chairman, after an unwarranted criticism of the Democratic performance in this House, which criticism I have already alluded to, the gentleman from Illinois [Mr. MANN] then launched into an extremely technical and hypercritical analysis of the language of the pending bill. I venture the statement that any one of the revenue laws passed by either party during any Congress can be taken as a basis, and criticisms equally as superrefined, equally as technical, and equally

as worthless as those made by the gentleman from Illinois [Mr. MANN] can be made of its language. The gentleman complains that the language of this bill is too broad. Mr. Chairman, this bill gives to American consumers, and to the toiling masses whose backs have been burdened for many weary years, some relief—relief to which they are most justly entitled, according to my opinion. If it should happen that decisions in the Treasury Department, or in the courts, should broaden the language even beyond our construction, then the first and most important result will be that the benefits of this measure will be increased and the burdens of those who toil still further lightened.

Mr. Chairman, in the early days of the Republic no statesman ever dared to assert, and no political party to contend, that taxation, either direct or indirect, was a blessing in disguise, and that the more you taxed a people the happier they were and the more prosperous they became. It has remained for latter-day, for Republican, statesmanship to advance that very remarkable contention. In the early days protection was justified and defended on two grounds: First, it was contended that it was necessary to build up and diversify our infant industries; and, second, it was contended that when foreign competition was shut out, either in whole or in part, by a tariff wall, domestic production would be stimulated and that increased competition between more numerous producers would keep down prices to the consumer.

In order that we may keep our history straight, and in order that the House and the country may understand how accurate is the statement I have made of the case for protection, I wish to now cite a few authorities on these two points. Before I do so let me digress for just a moment while I commend to my Republican brethren Alexander Hamilton's contention about whether the consumer or the importer paid the duty, made at the time when Mr. Hamilton was strongly contending that in most cases the consumer paid the tariff, and therefore the tariff duties ought to go into the Common Treasury, and not into the treasury of the importing States. In No. 35 of the Federalist, Mr. Hamilton said:

Suppose, as has been contended for, the Federal power of taxation were to be confined to duties on imports, it is evident that the Government, for want of being able to command other resources, would frequently be tempted to extend these duties to an injurious extent.

There are persons who imagine they can never be carried to too great a length, since the higher they are the more, it is alleged, they will tend to discourage an extravagant consumption, to produce a favorable balance of trade, and to promote domestic manufactures. But all extremes are pernicious in various ways. Exorbitant duties on imports would beget a general spirit of smuggling, which is always prejudicial to the fair trade and eventually to the revenue tariff itself; they tend to render other classes of the community tributary in an improper degree to the manufacturing, to whom they give a premature monopoly of the markets; they sometimes force industry out of its more natural channels into others, in which it flows with less advantage; and, in the last place, they oppress the merchant, who is often obliged to pay them himself, without any contribution from the consumer.

When a demand is equal to the quantity of goods at market, the consumer generally pays the duty, but when the markets happen to be overstocked a great proportion falls upon the merchant, and sometimes not only exhausts his profits, but breaks in upon his capital. I am apt to think that a division of the duty between the seller and the buyer more often happens than is commonly imagined. It is not always possible to raise the price of a commodity in exact proportion to every additional imposition laid upon it. The merchant, especially in a country of small commercial capital, is often under a necessity of keeping prices down in order to secure a more expeditious sale.

The maxim that the consumer is the payer is so much oftener true than the reverse of the proposition that it is far more equitable that the duties on imports should go into a common stock than that they should redound to the exclusive benefit of the importing States.

This is almost precisely the Democratic contention of to-day, and yet it was Alexander Hamilton's admission when he was giving his reasons why this revenue from tariff should be given to the Federal Government and not to the States.

To illustrate the statement I have made of the case for protection, I now call your attention to certain statements made by Alexander Hamilton, Henry Clay, James G. Blaine, John Sherman, and Andrew Carnegie. I first read from Mr. Hamilton's famous report on manufactures, made to the Congress of the United States December 5, 1791:

This is another and an efficacious means of encouraging national manufactures; but, in general, it is only fit to be employed when a manufacture has made such progress and is in so many hands as to insure a due competition and an adequate supply on reasonable terms. Of duties equivalent to prohibitions there are examples in the laws of the United States, and there are other cases to which the principle may be advantageously extended, but they are not numerous.

Again, he says on the subject of domestic competition in this same report:

But, though it were true that the immediate and certain effect of regulations controlling the competition of foreign with domestic fabrics was an increase of price, it is universally true that the contrary is the ultimate effect with every successful manufacture. When a domestic manufacture has attained to perfection and has engaged in the prosecution of it a competent number of persons, it invariably becomes cheaper. Being free from the heavy charges which attend the importation of foreign commodities, it can be afforded, and accordingly seldom never fails, to be sold cheaper in process of time than was the foreign articles for which it is a substitute. The internal competition which takes place soon does away with everything like monopoly and by degrees reduces the price of the article to the minimum of a reasonable profit on the capital employed. This accords with the reason of the thing and with experience.

Let me next invite your attention to the arguments advanced in support of the protection system by one of its most distinguished and most brilliant advocates. In an elaborate and able exposition of what he was pleased to term the "American system," Henry Clay, of Kentucky, in the Senate of the United States, in February, 1832, said:

This brings me to consider what I apprehend to have been the most efficient of all the causes in the reduction of the prices of manufactured articles, and that is competition. By competition the total amount of the supply is increased and by increase of the supply a competition in the sale ensues, and this enables the consumer to buy at lower rates. Of all human powers operating on the affairs of mankind, none is greater than that of competition. It is action and reaction. It operates between individuals in the same nation and between different nations. It resembles the meeting of the mountain torrent, grooving, by its precipitous motion, its own channel, and ocean's tide. Unopposed it sweeps everything before it, but, counterpoised, the waters become calm, safe, and regular. It is like the segments of a circle or an arch; taken separately each is nothing, but in their combination they produce efficacy, symmetry, and perfection. By the American system this vast power has been excited in America and brought into being to act in cooperation or collision with European industry. Europe acts within itself and with America, and America acts within itself and with Europe. The consequence is the reduction of prices in both hemispheres.

Hear Mr. Clay again, in the Senate, speaking on the same subject:

Competition, therefore, wherever existing, whether at home or abroad, is the present cause of cheapness. If a high duty excites production at home and the quantity of the domestic article exceeds the amount which had been previously imported, the price will fall.

Mr. Blaine, in his Twenty Years of Congress, says:

Protection in the perfection of its design does not invite competition from abroad, but is based on the contrary principle that competition at home will always prevent monopoly on the part of the capitalist, assure good wages to the laboring man, and defend the consumers against evil extortion.

In 1889 John Sherman said:

The primary object of a protective tariff is to secure the fullest competition by individuals and corporations in domestic production. If such individuals or corporations combine to advance the price of the domestic product and to prevent the free result of open and fair competition, I would, without a moment's hesitation, reduce the duties of foreign goods competing with them in order to break down the combination.

Mr. Andrew Carnegie is quoted in the American Manufacturer, of Pittsburg, under date of July 25, 1884, as saying:

We are the creatures of the tariff, and if ever the steel manufacturers here attempt to control or have any general understanding among them, the tariff would not exist one session of Congress. The theory of protection is that home competition will soon reduce the price of the product so it will yield only the usual profit; any understanding among us would simply attempt to defeat this. There never has been nor ever will be such an understanding.

Lower prices, which Mr. Hamilton claimed would result from a protective-tariff system, may have accorded in the "reason of things" as things appeared to him; it may have accorded with experience up to 1791, though I doubt it, but no living man, be he Democrat or Republican, can truthfully and candidly say that it accords with either the reason of things or with experience up to and including 1911. Is the reduction of prices which Hamilton and Clay, Blaine and Sherman predicted the shibboleth on which the American people commenced the work in 1910 of driving the Republican Party from power by giving to us control of this House? Has Mr. Carnegie's confident prediction that "there never has been nor ever will be such an understanding" among the manufacturers been borne out by subsequent results, even in the steel industry? How many, or how few, years elapsed before we find this same king of the steel industry selling out to a trust for cash and bonds and retiring from active industrial life in America to become the "Laird of Skibo" in a foreign land?

Let me next invite your careful consideration of the all-important question as to whether or not the experience of this country has demonstrated the truth or falsity of the contention of the protectionists that a high tariff, by stimulating domestic production, increases domestic competition and thereby ultimately reduces the price of the protected article to the consumer. Before I do so, however, permit me to call your attention to a brief summary of the tariff history of this country.

It is true that even from the beginning of our Government tariff duties that were more or less protective were levied and collected, and yet it is also true that the amount of protection afforded thereby was usually relatively insignificant up to the time of our Civil War. The actual rate of duty collected under our first tariff law averaged only about 7½ per cent. This was under the law of 1790, and even up to the year 1808 the average of duties collected upon imports did not exceed 13 per cent. The embargo act of 1808 and the War of 1812 resulted in the

rapid growth of American manufactures, and the necessity of protecting them to some extent, when they were real infants, from a foreign competition was strongly urged, and at the close of the War of 1812 seems to have appealed to statesmen of all parties and all sections, but even the tariff of 1812, which was considered a remarkably high tariff, levied only an average duty of about 20 per cent. Under the tariff of 1824 the duties averaged from 25 per cent to 33 per cent. The one exception of the general rule in the early days of the Republic was the tariff of 1828, generally known throughout the country as the tariff of abominations, which imposed duties averaging 48.88 per cent, and which was finally superseded by the tariff of 1832, which practically restored the rate of duty carried in the tariff laws of 1824. The compromise tariff of 1833 provided that all duties in which the tariff exceeded 20 per cent were to have one-tenth of such excess taken off on June 1, 1834, one-tenth more on January 1, 1838, and another tenth on January 1, 1840. It further provided that on January 1, 1842, one half of the remainder of such excess was to be removed and on July 1, 1842, the other half of the remainder of such excess was to be removed, so that on July 1, 1842, the average ad valorem tariff rate would be 20 per cent.

The Whig tariff law of 1832 carried an average ad valorem duty of 32 per cent, and the Democratic tariff law of 1846, commonly known as the Walker tariff law, carried an average tariff duty of 25 per cent, which was still further reduced by the act of 1857 to an average of about 18 per cent. The Morrill tariff law of 1862 increased the duties to an average of 37.2 per cent, and the war tariff of 1864 raised this average to 47.6 per cent. Between this period and the enactment of the McKinley law in 1890 there were many changes in regard to various schedules and subjects, and usually these were in the direction of more protection to the manufacturer. The McKinley law of 1890 still further raised the duties until the average was more than 50 per cent, where they remained until the Wilson bill of July 1, 1897, reduced them to about 42 per cent. Under the Dingley law of 1897 the duties were again increased to an average of 44.6 per cent, and under the Payne law of 1909 they were still further increased to an average of 45.72 per cent, if we may accept the figures at that time made by Mr. Evans, the accurate and painstaking clerk of the Ways and Means Committee of the Sixty-first Congress.

So that it appears from the foregoing statement that our manufacturers and producers have had most liberal "protection," almost without a break and certainly without a serious check, in the upward march in the rate of duties since the period of our Civil War. It now becomes pertinent to revert to the inquiry I have just suggested, to wit: What has been the effect upon prices? Has competition kept them down, or has combination among our protected manufacturers and producers throttled competition and elevated prices?

In the year 1903 one of the most distinguished gentlemen who ever served in this House, a staunch Republican and a loyal protectionist, Mr. Littlefield, of Maine, put into the CONGRESSIONAL RECORD a list of 793 trusts, with a total capitalization of over $14,000,000,000. Of the trusts "discovered" by Congressman Littlefield, 435, representing over nine billions of capital, were classed as industrial combinations.

Census Bulletin No. 22, issued by the Bureau of the Census, Department of Commerce and Labor, in 1900, gave a list of 183 "industrial combinations," with a total authorized capital of $3,607,539,200. Of these 183 trusts, 7 were formed in the year 1897, 20 in 1898, 79 in 1899, and 13 in 1900 prior to June 30 of that year. Nearly two-thirds of these trusts were therefore formed in the three years immediately following the passage of the Dingley tariff law.

In his interesting book called The Truth About the Trusts, published in March, 1904, Mr. John Moody gives a list of 318 important, active, industrial trusts, with a capitalization of $7,246,342,533. Of these 318 trusts, 236 were capitalized at about $6,000,000,000, and were incorporated subsequent to January 1, 1898. So that it would appear that trust combination received its first splendid impetus through the Dingley tariff law.

Let me give you another list of just a few of the larger trusts, taken from the splendid work of Mr. Franklin Pierce, of the New York bar, The Tariff and the Trusts, published in 1907:

The Meat Trust, a combination of the National Packing Co., Armour & Co., Swift & Co., John P. Squire & Co., Schwarzschild & Sulzberger Co., St. Louis Dressed Beef & Provision Co., Northern Packing & Provision Co., Libby, McNeill & Libby, protected by 2 cents a pound on beef and pork and 5 cents a pound on bacon and ham, practically controlling the whole market and fixing the price on the domestic product at a price equal to that of 1860, when butchers slaughtered animals by hand and availed themselves in no way of the by-products. This trust is also protected on most of its by-products.

The Standard Oil Co., controlling 20 different companies, with an authorized capitalization of $102,000,000, protected on many of its by-products by heavy duties and by rebates on its imported tin cans of 99 per cent of the duty.

The American Linseed Co., combining 47 different companies, with an authorized capital stock of $50,000,000, representing 85 per cent of the linseed-oil production of the United States, and under the domination of the Standard Oil Co.

The National Lead Co., with an authorized capital stock of $30,000,000, comprising 26 plants, and under the domination of the Standard Oil Co.

The United Lead Co., combining 19 different companies, and also under the domination of the Standard Oil Co.

The American Sugar Refining Co., controlling 55 different companies, representing 70 to 90 per cent of the product, with a total capital issued of the parent and affiliated companies of $145,000,000.

The International Harvester Co., controlling 6 plants, with an authorized capitalization of $120,000,000, controlling 70 per cent of the industry.

The American Brass Co., with an authorized capitalization of $20,000,000, and controlling 9 plants.

The American Thread Co., with an authorized capitalization of $12,000,000, owning or controlling 13 different plants, controlling 50 per cent of the industry.

The Casein Co. of America, known as the Milk Sugar Trust, with a total capital issued of $6,492,000, owning 5 different plants and controlling 70 per cent of the industry.

The Chicago Pneumatic Tool Co., with a capitalization of about $8,000,000, owning 7 plants and controlling 80 per cent of the industry.

The Central Foundry Co., known as the Soil-Pipe Trust, with a capitalization of $14,000,000, owning 13 plants and controlling 80 per cent of the industry.

The Diamond Match Co., with an authorized capital stock of $15,000,000, owning 18 plants and controlling 85 per cent of the industry.

The International Steam Pump Co., known as the Steam Pump Trust, with an authorized capital of $25,000,000, owning 8 plants and controlling 80 per cent of the product.

The General Chemical Co., with an authorized capital of $25,000,000, controlling 70 per cent of the trade and 24 chemical plants.

The American Woolen Co., with a capital of $25,000,000 preferred stock and $40,000,000 common stock, having about 30 plants and controlling upward of 60 per cent of the sales.

The California Fruit Canners' Association, with a capital stock of about $3,500,000, including 18 different fruit companies and controlling 65 per cent of the trade.

The Glucose Trust, controlling 5 companies, with 20 plants, including the National Starch Co. and the Illinois Sugar Refining Co., having an authorized capital stock of $30,000,000 preferred and $50,000,000 common stock and controlling a large part of the sales in the United States.

The Candy Trust, with a capital stock of $9,000,000, including 16 different plants and controlling over 55 per cent of the sales of candy.

The National Enameling & Stamping Co., having a capital stock of $30,000,000 and controlling 13 plants and 55 per cent of the industry.

The Glassware Trust, with an authorized capital stock of about $5,500,000, having 19 plants and controlling about 70 per cent of the sales of glassware.

The Rubber Goods Manufacturing Co., having a capital stock of $50,000,000 and 17 plants, and controlling about 60 per cent of the sales.

The United Button Co., having a capital stock of $3,000,000 and controlling 3 plants.

The Æolian Weber Piano & Pianola Co., having a capital stock of $10,000,000 and owning 12 plants.

The Allis-Chalmers Co., known as the Machinery Trust, having a capital stock of about $36,250,000, controlling 4 large plants and 50 per cent of the trade.

The American Agricultural Chemical Co., known as the Fertilizer Trust, being closely allied with the American Tin Plate Co., and having a capital of $88,000,000 and 123 plants, and controlling about 75 per cent of the trade.

The American Cement Co., known as the Cement Trust, having a capital of about $2,000,000 and controlling 6 plants.

The American Cotton Oil Co., known as the Cotton Oil Trust, having a capital stock of about $433,000,000 and 30 plants, and controlling about 65 per cent of the industry.

The American Felt Co., known as the Felt Trust, having a capital of about $4,000,000 and 5 plants, and controlling about 60 per cent of the industry.

The American Glue Co., having a capital stock of about $3,000,000 and 9 plants, and controlling 55 per cent of the industry.

The American Hide & Leather Co., having a capital stock of about $32,000,000 and 22 plants, and controlling about 60 per cent of the industry.

The American Radiator Co., having an authorized capital stock of about $10,000,000 and 12 plants,, and controlling 80 per cent of the industry.

The American Seeding Machine Co., known as the Seeding Machine Trust, having an authorized capital of $15,000,000 and 6 plants, and controlling 90 per cent of the trade.

The American Sewer Pipe Co., having an authorized capital of $8,000,000 and controlling from 40 to 50 per cent of the industry.

In the elaborate report presented by Senator LODGE, of Massachusetts, to the Senate on June 23, 1910, in behalf of the Select Committee of the Senate on Wages and Prices of Commodities, under the subhead "Combinations and associations," it is admitted by the majority members of the Senate committee that the country is teeming with trusts and industrial combinations, and that every line of business and industry is honeycombed with them.

Without multiplying words or extending the investigation further on this particular point, I think we can safely conclude what everyone with any common sense or with any experience or observation knows, and everyone with any candor or sincerity concedes, that the domestic competition that was promised us years ago by advocates of the protective system has utterly broken down and failed, and that in its stead we have enthroned industrial and trust combinations of spectacular size, without precedent or parallel in the history of our own or any

other country. Competition has died an untimely death at the hands of combination and monopoly extorts from the consuming public the utmost farthing that can be wrung from necessity.

Let me observe here that, in the face of well-established facts, apologists for the protective system often assert that free-trade England is as badly infested with trusts as protected America. On this subject, I desire to quote briefly from the very interesting address of Mr. Byron W. Holt, of New York, made in the year 1907 at Chicago, Ill., at the conference on trusts and combinations:

The Industrial Commission, a Republican partisan protectionist body of the most pronounced type, sent Prof. J. W. Jenks to Europe to find as many trusts there as possible. He found 35 so-called trusts in England, with a total capital of $460,000,000, or less than one-third that of our pet Steel Trust. He quoted tables from Liefman's book, showing that there had been 345 trusts in Germany, and that from 230 to 250 were in existence there in 1897. He stated that "in England the movement toward combination has not gone so far as in either Austria or Germany"—both highly protected countries. He stated that the English trusts have but little water in the capitalization as compared with American trusts; that the English trusts have had little or no effect in advancing prices; and that the (then) recent slight advance in prices was "due in good part to the increase in the prices of the raw materials." In Germany he found that many of the trusts, taking advantage of the high-tariff duties, had advanced prices very much. This was particularly true of the Iron and Steel Trusts and of the Sugar Trust, or cartel, both of which pattern after our much larger trusts and sell goods for export much below the home prices.

Other writers find even fewer trusts in England than did Prof. Jenks. Mr. Wilhelm Berdrow, a German economist, says in the May, 1899, Forum:

"As far as England is concerned, it must be admitted that the trust system has as yet found but tardy acceptance in that country. This is doubtless due in some degree to the thorough appreciation of the principle of free trade, for it is well known that the largest trusts are powerless unless their interests are secured by a protective tariff excluding from the whole market the product of foreign countries."

Mr. Thomas Scanlon, of Liverpool, writing of trusts in England, said: "It can not be said that we suffer in any appreciable degree from combinations of producers to keep up prices."

These and other authorities virtually agree that, instead of the price-raising, Congress-controlling, law-defying, bulldozing, and all-powerful tariff monsters with which we are familiar in this country, the so-called trusts of England are really only harmless syndicates, with little or no control over prices. They exist not because they have any monopoly, but because production can be carried on more economically on a large than a small scale. If they attempt to control prices, as did the recently formed Soap Trust, they commit what, in England, is regarded as the unpardonable sin. The Soap Trust endured but a few short weeks. A really free people would not stand, for one month, the robbery of any one of our scores of plundering tariff trusts.

The testimony is overwhelming that trusts do not flourish in free-trade England as they do in protected America, Germany, and the United States. Nowhere, outside of the Republican Campaign Book and of the organs of protection, published by organizations supported by the protected interests, is it even pretended that England has trusts comparable to those in this country. These organs brazenly disregard and defy all known facts. Thus the Republican Text Book of 1900 said:

"England has no tariff, and trusts exist and flourish in free-trade England—trusts more monstrous than any that we know anything about."

The monstrous trusts, it was said, "are solely, thoroughly, and absolutely the product of the Cobdenite free trade."

The American Economist, organ of the Protective Tariff League, on October 18, 1907, says:

"Former Gov. Douglas says the only way to save this country from the trusts is to cut down the tariff. Douglas would have a terrible time telling the British people how they were to get out of the clutches of the trusts. They are in the clutches more than the people of the United States, and they have no tariff to cut down."

I hesitate to say that the writers of these statements knew them to be false and that they deliberately distort and falsify facts and figures in order to deceive the voters and to prolong our accursed tariff system. I prefer to credit such misrepresentations to the overzealous efforts of protection fanatics who honestly believe that foreign trade and commerce is a curse and who would like to see each country surrounded by walls of fire.

That we have the trusts with us, and with us at every turn, can neither be denied nor doubted. It seems to me equally undeniable and undoubted that the effect of these combinations is and has been necessarily and naturally to raise the prices of the products they control. In the report of the select committee of the Senate on Wages and Prices of Commodities, already referred to, there is this statement, quoted from page 11 of the majority report:

Wholesale prices in the United States in 1909, as measured by the prices of the 257 commodities included in the price index number of the United States Bureau of Labor, advanced 3 per cent over 1908 and 14.5 per cent over 1900. The price in 1909, however, was 2.3 per cent below the high point reached in 1907. Beginning with September, 1908, wholesale prices increased month by month without a break until March, 1910. In March, 1910, prices were 21.1 per cent higher than the average for the year 1900 and 18.5 per cent above the price in March, 1900.

Quoting again from the excellent speech of Mr. Holt in 1907:

Since 1897, and especially since 1899, the prices of trust products have been maintained at extremely high points. Because of excellent crops, sold at good prices, this country has been prosperous since 1897. But the protected trusts have skimmed the cream of our prosperity and have left only the skimmed milk for workingmen and farmers. Money wages have risen, but tardily and slowly, and only about half as much as has the cost of living. The prices of farm products, until this year, had risen less than had the prices of most manufactured goods.

The average rise of prices is best shown by Dun's index numbers. These include the prices of 350 commodities and give a weight in accordance with its importance in consumption. On July 1, 1897, Dun's index number was 72,455; on March 1, 1907, it was 109,913, showing an advance in average prices since 1897 of 51.7 per cent. By April 1, 1907, there had been a decline of about 2 per cent. For some reason Dun's figures, which until then had been published regularly for 30 years, have not been published since April. It will be recalled that, because of the cold spring the prices of cotton, wheat, corn, oats, etc., rose rapidly during April. Possibly there was some connection between these two facts. Possibly the publication of these cost-of-living figures was "accelerating public sentiment" in the wrong direction—for the trusts. It is worth noting that one year previously the Department of Commerce and Labor at Washington suddenly ceased to publish Dun's telltale figures in its monthly reports. There was considerable of a "spread" between Dun's and the Government's figures of prices, and the spread was growing rapidly. These coincidences may have had nothing to do with the stoppage of the most scientifically constructed cost-of-living figures ever published. Regardless of economic or political consequences, we earnestly hope that Dun's Review will soon continue to give to the world the benefit of its price tables.

Bradstreet's less scientifically constructed figures show an increase in wholesale prices of 56 per cent from July 1, 1898, to March 1, 1907. The figures of the Labor Bureau at Washington show that wholesale prices averaged 40.6 per cent higher in 1906 than in 1897. They show that retail prices of food averaged 15.7 per cent higher in 1906 than for the 10 years from 1890 to 1899. These Government figures are very unsatisfactory and are evidently made to order. Almost any kind, and almost all kinds, of retail prices can be obtained, even on different streets of the same city. They afford excellent opportunity for trick juggling. It is fair to assume that these opportunities have been utilized. We know that the statistics of the census, so far as they relate to wages and manufactures—especially in the protected industries—are juggled so that they are almost worthless.

It is reasonably certain that the price level in this country is now between 50 per cent and 60 per cent higher than it was 10 years ago. It is not pretended that all of this advance should be credited to the Dingley tariff and its brood of trusts. The Labor Bureau report of last spring suggested that "internal revenue and tariff acts have in a marked degree affected prices by helping them to move upward." This is undoubtedly true. About how much of the advance should be credited to the tariff and trusts can be learned from a comparison of our price figures with those of England, where there are no protective duties and no tariff trusts.

Sauerbeck's index numbers advanced 35.1 per cent from July, 1896, to March, 1907—from 50.2 per cent to 80 per cent. The index number of the London Economist advanced 37.6 per cent from the end of 1897 to March, 1907. Since March last it has declined rapidly and is now only 30 per cent higher than in 1897. Its figures in 1897 were 1,890, and on October 1, 1907, 2,457.

It is evident from these figures that during the last 10 years prices have risen about 55 per cent in this country and 35 per cent in England.

The 35 per cent advance is undoubtedly due to the depreciation of gold. A similar advance has occurred in all countries. The greater advance in this country, Canada, and Japan can fairly be credited to the higher tariffs of these countries and to the protected trusts.

That we now have the highest prices that this country has known in many years, and the highest prices in the world, is so well known that it does not seem to me to require much elaboration. The people of the United States understand it tolerably well and punished the Republican Party in November, 1910, for its failure to keep faith with them by reducing the tariff and thereby lessening the cost of living.

That the trusts are here and that high prices are with us also is not merely a coincidence. These facts bear the relation to each other of cause and effect. On this subject let me quote briefly from the report of the Senate committee already referred to:

The fact that prices of some of the commodities manufactured by the industrial combinations have not advanced as much as have commodities not manufactured by trusts does not prove that industrial combinations have not held prices at a higher level than was justified.

Industrial combinations in their very nature make for economies in production by placing the control of the business in the hands of a few individuals and thus reducing general expenses; they also reduce materially the cost of distribution by enabling products to be distributed from the nearest producing point. Industrial combinations are also able to maintain or steady prices. The possibility of industrial combinations contributing to the advance or maintaining of prices, even though prices of their products may have risen less than have other articles, is plainly shown by witnesses engaged in slaughtering cattle, who have testified before the committee that all the profit they would ask would be the value of the by-products, which they are not able to utilize but which the large packers are able to dispose of. The economies of production are, of course, a result of the development of the factory system, and the well-organized industrial combinations represent the highest development of the factory system.

While industrial combinations may result in economies of production and distribution, the fact that competition is either wholly or partly removed leads to abuses. Thus, according to witnesses who testified before the committee, the International Harvester Co. has not only unreasonably advanced the price of self-binders, but have changed the method of sale in such a way as to result in many cases in a loss to farmers. Before the organization of the International Harvester Co. the local dealer selling the binder sent a mechanic to "set up" the machine and to remain a few hours until the machine was running smoothly, and in case repairs were needed they were supplied immediately from the stock of the local dealer. Since the organization of the International Harvester Co. the machine, when purchased by the farmer, is sent "knocked down" to his nearest railroad station, and the farmer must set up his machine, and in case repairs are needed the machine is idle until the repairs are forwarded by express from the branch house, usually located in some large city and not necessarily convenient to the grain section.

It is true that the majority report of the Senate Committee on Wages and Prices of Commodities advances the remarkable contention that in some cases the trusts have lowered prices of the products they control, but it is equally true that in those cases the majority report fails to mention the fact that the foreign price has been lowered even below the American price, and that in America the trusts have prevented our consumers from obtaining the reduced prices that ought to have come from improvements of manufacture and natural causes, such as greater natural supplies. Wherever prices on trust-made articles have been lowered here, they have not been lowered one moiety of what they would have been lowered if the people of this country had received the advantages of improvements in manufacture and of the natural causes that seem to operate everywhere else on earth except in trust-ridden America. [Applause on the Democratic side.]

Everyone knows that in this country there is hardly a branch of human activity, hardly a line of business or industry that is not either directly or indirectly controlled by these trusts and combinations. Our children are rocked in trust-made cradles, our dead are buried in trust-made coffins, and if there is an article of necessity that the American citizen must use, or a luxury that he wishes to use, that is not in some way or the other, directly or indirectly, controlled by these interests, I have yet to discover it. [Applause on the Democratic side.]

What are we to do about it? Is the Congress of the United States impotent? Have vested wrongs grown so hoary with age that they have become vested rights? Are the people to continue to have profits guaranteed by law because they happen to be engaged in one branch of industry rather than another? [Applause on the Democratic side.]

Twenty-one years ago Senator John Sherman, of Ohio, suggested one remedy. However much we may disagree with either the economic theories or political principles of the great Ohio Senator, yet we all must agree that he was an able statesman and a great man, and that his remedy is entitled to receive not only careful consideration but fair trial. The remedy he proposed was to revamp, with only slight modifications, the common law against forestalling, regrading, and engrossing. The principle is as old as the Anglo-Saxon law, indeed, as human civilization itself. It is based on an inherent opposition to monopoly. I refer, of course, to the celebrated Sherman anti-trust law of July 2, 1890, by which combinations in the restraint of trade or commerce in the several States by way of trust or otherwise are declared to be illegal. Are we to rely on that law as a complete panacea for all our evils? I think not. I think if we were to adopt that policy and rely wholly upon it, we would be guilty of equal stupidity as a man would be if his blood was impure and therefore his body was afflicted with sores, and he should go to a doctor and have the sores cut out, instead of going to a doctor for treatment of the impurity in his blood that caused the sores. I believe that to put the trust magnates in jail, that to enforce the law against the criminals who violate the antitrust law will do a great deal of good, but that can never be a complete remedy, no matter how vigilant, how industrious and impartial is the prosecution; as long as the system that creates these criminals continues in existence, trusts and combinations will be bred by it more rapidly than they can be broken up by criminal prosecutions.

What, then, is the real remedy? I fear that I can not in the course of this speech undertake to amplify it as fully as I would like, but I venture to express the hope that I can at least suggest it. The remedy must come from the complete readjustment of our entire economic system. I mean particularly that system so far as same is related to or is based upon the tariff laws of the country. I understand, and I make this statement with that reluctance that a man naturally feels in admitting conditions that require him to submit even temporarily to wrong and injustice, we can not do this at once or suddenly. If our whole tariff system was changed in the twinkling of an eye it might and would probably throw this country into a terrible business panic from which we would only recover with great difficulty and after great suffering. But it is my deliberate and mature judgment that we ought to come as rapidly as possible to another and to a fundamentally different view of tariff taxation. Our industries are no longer infants. They are conquering the markets of the world and are competing with the industries of other nations all over the earth without tariff aid. Bitter experience has demonstrated to the American people that existence of a high tariff law that severely restricts foreign importations affords an irresistible temptation for the formation of combinations and monopolies that increase the prices of the products they control and raise the cost of living. The true American system of the twentieth century must and will eventually be, so far as this question is concerned, an imposition of import duties on articles of strict luxury and on noncompetitive articles alone. A great English statesman, addressing a great English constituency, said 80 years ago that he would never vote for any law that, under the guise of taxation, enabled one Englishman to charge another Englishman a penny more for any article made in England than he could have charged, but for the existence of a tax law. Are we less patriotic than this foreign statesman was, or do we love our own people less than he did his? Are we less prepared to do them justice? Yet no man can dispute the proposition that so long as we continue to lay duties on competitive products, we not only burden our people with the payment of three hundred millions of revenue that is actually received and actually goes into the Public Treasury, but also we put upon them a far greater burden that comes from the enhancement of prices on articles of domestic manufacture or production that are so protected from foreign competition. The most careful economists who have considered this question estimate that this indirect burden is fully five times as great as the revenue the Government collects from the duties imposed. In other words, besides the $300,000,000 that finds its way each year into the Treasury in the shape of these duties, fully fifteen hundred millions per year is extracted from the pockets of the American consumer in the enhanced price that he must pay for articles of domestic manufacture or production over and above what he would have to pay but for the protective duties.

To my mind, this is the greatest injustice that can be done the people under the guise and form of law, and to such a system I am unalterably and irrevocably opposed. It may be contended, however, that we could not raise sufficient revenue from the tariff to run the Government under this system. In answer to that objection I wish to say that 30 States of the American Union have already ratified the income-tax amendment to our Constitution, and the affirmative voice of but five others is needed to make it a part of our organic law, and I firmly believe and confidently predict that before many months longer that amendment will be ratified. [Applause on the Democratic side.]

From a properly adjusted income tax we can readily secure one hundred million a year, and even more if necessary, and in levying such a tax we will not only carry out Democratic principles, but will subserve the wisest policy of statesmanship by placing at least a portion of the burdens of Government upon the backs of those who are best able to bear them, and who receive a large portion of its benefits.

From a duty on luxuries or on articles that are either entirely noncompetitive, or practically so, we could easily raise the remainder of the revenue necessary to administer economically and effectually the Federal Government.

Let me call your attention to the following table of articles entirely or largely noncompetitive, the figures therein being from the Statistical Abstract of the United States for the year 1909:

| | Value. |
|---|---|
| Art works, not produced by Americans | $3,200,000 |
| Indigo | 1,400,000 |
| Gum arabic | 300,000 |
| Crude camphor | 600,000 |
| Copal | 2,300,000 |
| Gambier | 1,300,000 |
| Shellac | 3,900,000 |
| Other gums | 1,400,000 |
| Crude iodine | 26,000 |
| Licorice root | 1,700,000 |
| Potash | 7,500,000 |
| Quinia | 300,000 |
| Nitrate soda | 12,600,000 |
| Sulphur, crude | 300,000 |
| Vanilla beans | 1,500,000 |
| Vegetable wax | 1,000,000 |
| Other waxes | 7,000,000 |
| Cocoa, crude | 15,000,000 |
| Coffee | 80,000,000 |
| Cork, wood | 1,000,000 |
| Diamonds, uncut | 5,000,000 |
| Emery ore | 200,000 |
| Fertilizers | 6,000,000 |
| Istle fiber | 700,000 |
| Jute | 7,000,000 |
| Manila | 7,000,000 |
| Sisal grass | 10,000,000 |
| All other fiber | 1,000,000 |
| Lobsters and shrimps | 1,500,000 |
| Bananas | 11,000,000 |
| Coconuts | 1,200,000 |
| Cream nuts | 400,000 |
| Furs | 12,000,000 |
| Balata | 500,000 |
| India rubber | 61,000,000 |
| India rubber, scrap | 1,500,000 |
| Ivory | 2,600,000 |
| Mattings and mats | 3,200,000 |
| Meerschaum | 200,000 |
| Nickel ore | 2,300,000 |
| Creosote oil | 2,200,000 |
| Coconut oil | 4,000,000 |

| | Value. |
|---|---|
| Nut oil | $1,100,000 |
| Palm oil | 3,000,000 |
| Pearl shells | 1,500,000 |
| Raw silk | 79,000,000 |
| Nutmegs | 200,000 |
| Pepper | 2,000,000 |
| Other spices | 2,000,000 |
| Raw sugar | 90,000,000 |
| Barks | 1,000,000 |
| Tea | 18,000,000 |
| Tin | 26,000,000 |
| Mahogany | 2,400,000 |
| All other cabinet woods | 1,400,000 |
| Total | 581,426,000 |

The total imports, free and dutiable, in 1909 amounted to $1,312,000,000; the articles dutiable amounted to $712,000,000; the articles free amounted to $599,500,000. The tariff law of 1909 enlarged the free list. The noncompetitive articles amounted to $581,426,000; the revenue produced by the dutiable list in 1909 amounted to $300,977,438, or an equivalent ad valorem rate of 42 per cent.

Applying this rate to the noncompetitive list the probable revenue would be approximately $245,000,000; the revenue in 1910 was approximately $328,000,000.

Applying the principle of taxing noncompetitive imports a deficit of $80,000,000 would probably follow, which could easily be met by several other forms of taxation.

I next wish to invite your attention to the statement of the revenue of Great Britain for 1908:

| | | |
|---|---|---|
| 1. Customs: | | |
| Tobacco | $68,600,000 | |
| Tea | 29,000,000 | |
| Rum | 12,000,000 | |
| Brandy | 5,900,000 | |
| Other spirits | 2,700,000 | |
| Wine | 5,800,000 | |
| Currants | 630,000 | |
| Coffee | 910,000 | |
| Raisins | 1,100,000 | |
| Cocoa | 1,400,000 | |
| Sugar | 33,800,000 | |
| Other articles | 970,000 | |
| | | $162,900,000 |
| 2. Excise: | | |
| Spirits | 88,500,000 | |
| Beer | 65,600,000 | |
| Licenses | 22,000,000 | |
| Railways | 1,700,000 | |
| Other sources | 700,000 | |
| | | 178,600,000 |
| 3. Estate duties: | | |
| Estate duty | 71,700,000 | |
| Temporary duty | 35,000 | |
| Probate duty | 240,000 | |
| Legacy duty | 19,500,000 | |
| Successive duty | 3,600,000 | |
| Corporation duty | 250,000 | |
| | | 95,500,000 |
| 4. Stamps, etc.: | | |
| Deeds | 15,700,000 | |
| Receipts | 8,600,000 | |
| Bills of exchange | 4,300,000 | |
| Patent medicines | 1,600,000 | |
| Licenses | 880,000 | |
| Companies | 2,500,000 | |
| Bonds | 2,000,000 | |
| Insurances | 3,300,000 | |
| Other | 2,100,000 | |
| | | 39,500,000 |
| 5. Land tax | | 3,500,000 |
| 6. House duty | | 9,600,000 |
| 7. Property and income tax | | 159,300,000 |
| Total taxes | | 647,200,000 |
| 8. Post office | | 89,200,000 |
| 9. Telegraph | | 2,200,000 |
| 10. Crown lands | | 2,500,000 |
| 11. Interest on Suez Canal shares | | 5,900,000 |
| 12. Miscellaneous | | 11,000,000 |
| Total nontax revenue | | 130,800,000 |
| Total revenue | | 780,100,000 |

On tea alone Great Britain receives twenty-nine millions of revenue; on tobacco, sixty-nine millions; on sugar, nearly thirty-four millions; on various spirits, nearly thirty millions; on coffee, about one million.

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

Mr. HARDWICK. Yes.

Mr. KENDALL. Is the gentleman from Georgia in favor of establishing a tariff on tea and coffee for revenue purposes?

Mr. HARDWICK. Mr. Chairman, the gentleman, of course, asks me a question that is entitled to a candid answer, and I will endeavor to give it to him. Yes, I favor it and will vote for it with pleasure, either now or later, provided you take the duties entirely off competitive products and adopt the system of duties on luxuries and noncompetitive products. [Applause on the Democratic side.]

Mr. KENDALL. Then, if the gentleman had the power in the House he would abolish all——

Mr. HARDWICK. Speaking for myself alone, I would say yes.

Mr. KENDALL. Is that to be the policy of the Democratic Party?

Mr. HARDWICK. The gentleman will have to form his own conclusion about the policy of the Democratic Party. If the Democratic Party does right, then, in my judgment, that will be its ultimate policy on this question. It is the only intelligent policy of this tariff question, unless you are going to embrace protection.

Mr. KENDALL. I inquired of the gentleman, because I believe him to be in the confidence of that party.

Mr. HARDWICK. And I hope I am, and yet on this question I would not undertake to speak for anybody on earth except for myself and the constituency I represent upon this floor. Of course I would not support, and I think I was the first man in this House two years ago to protest against the imposition of a tax on coffee, so long as we were pursuing the system of raising our revenues principally from competitive products. We can not and ought not to adopt both policies on this question, because they are antagonistic to each other and are diametrically opposite in principle. My own idea is that we ought to raise as much as we can from the income tax, from internal-revenue duties, and then ought to supplement it, so far as may be necessary, by moderate tariff duties on noncompetitive products exclusively, and a still higher revenue tax on articles of strict luxury.

Why levy our duties on noncompetitive products except in case of luxuries alone? It is undoubtedly true that whenever we levy duties on competitive products that for every dollar which reaches our customhouses at least $5 in indirect protection goes into the pockets of domestic manufacturers and producers, never reaches the customhouse at all, and yet most grievously burdens and oppresses our people. [Applause on the Democratic side.]

On this subject, let me call your attention to a striking statement made during the progress of the debate when the Payne tariff bill was under consideration. It was made by that distinguished gentleman who is now Speaker of this House, Hon. CHAMP CLARK of Missouri. Mr. CLARK said:

> I will tell you the truth about revenue tariff and protective tariff very briefly. Up to a certain point on any article that is made in the United States, as well as abroad, a tariff rate is both a revenue rate and a protective rate, and no human being ever had or can have the ingenuity to separate them. It is an impossibility in nature. For instance, I might say that I am in favor of putting a 25-cent rate on a certain article for the purpose of revenue, and my friend from Michigan [Mr. FORDNEY] might say that he is in favor of putting a 25-cent rate on the same thing as protection. The upshot of it would be that I would get my revenue and the gentleman from Michigan would get his protection, whether I wanted him to have it or not.

Mr. CLARK states the case well and he states it truly. If the gentleman from Michigan stands on the Republican side and votes for a duty of $2 per thousand on lumber and calls it "protection," and if a gentleman stands on this side of the Chamber and votes for $2 per thousand on lumber and calls it "revenue," what difference does it make to the man who pays the bill? Does the rose by another name smell more or less sweet?

As long as we pursue this system of levying tariff duties on competitive articles we are forced, in order to raise the necessary revenues, to grant a vast amount of "protection," and to impose a still vaster amount of burden upon the American consumer, and therefore, I say, if we want to really lighten that burden, if we are really in earnest in our professed desire to lower the cost of living, if we really wish to present to the American people an issue that goes to the very heart of the matter and involves a great principle upon which legislation can be fashioned and an economic system built, then let us abandon this system of imposing duties on competitive articles and obtain our revenue entirely from noncompetitive articles, the sole exception being in the case of luxuries.

My construction of the time-worn battle cry of our party, "A tariff for revenue only," may not be the conventional one, but it is, I believe, the one that sound statesmanship suggests. As I interpret that phrase, "only" is not an adverb of purpose, but is an adverb of effect, and duties should be laid not only for the sole purpose of obtaining revenue, but so as to have no other effect except to raise revenue.

Mr. Chairman and gentlemen, the views I have expressed may not meet with the approval of every gentleman, even on my own side of the Chamber. I do not expect it. In expressing them I speak, as I have stated before, for no one on earth except myself and my own constituency, but to that extent I assume for them entire responsibility. I do not think any party will ever raise an issue with "protection" that is worth two seconds of the time of the American people until it comes to the position that it will levy no tariff duties except on luxuries and noncompetitive articles, and will supplement those duties with the internal-revenue duties and an income tax. [Loud applause.]

Mr. UNDERWOOD. Mr. Chairman, I yield 30 minutes to the gentleman from Massachusetts [Mr. CURLEY].

Mr. CURLEY. Mr. Chairman, I rise to pledge my unqualified support in behalf of this measure as an advanced economic policy of vital interest to the American consumer and as a direct step taken to break down the control of the trusts which, thriving under a protective-tariff policy, are plundering the people of the land.

Broadly and truthfully stated, what does this free-list bill promise the wage earner? It means a loss of some $10,000,000 a year in the revenues of the United States Government, but it means a saving of some $300,000,000 a year to the consumers who buy the articles included in this bill and from which an unjust tax will be removed. And the price, in my judgment, is indeed small to pay, considering the burden lifted from the backs of men engaged in most laborious occupations.

I stand as a bitter and unrelenting foe of the Republican Party, because under its economic policy it does not make all men of this Nation equal before the law.

And our Republican friends, in the face of the November elections, return here to again repeat their assumption and rest their case upon the miserable economic theory that wages are increased by tariff taxation, their favorite and only ground for argument addressed in support of restricted trade.

The wages of this country depend upon supply and demand. There is absolutely no trade in labor that can be protected and busy artisans move about the country unscheduled in tariffs. And to the wretched sophistry that taxation under a protective tariff increases wages, the best reply is found in the fact that there is a free trade in labor, a closed and monopolized market in the products of labor, and which labor must buy to live upon. Labor sells its service in a free-trade market and is paid in the necessaries of life, advanced beyond all reason in price by a protective tariff and the trusts sheltered by the tariff. These trusts control competition from abroad, kill competition among themselves by price agreements, and up to the very highest limit that the consumer can stand.

The people of this country believe that free raw materials will help them and their industries; they so declared last November, and they have the power in this House to make their will into law and to defeat any petty spirit of revenge.

Within these hallowed walls the hour of a new dispensation is at hand.

It is the producer of the land who will benefit by the passage of this measure. Agricultural implements will cost our farmers approximately about $14,000,000 less. The southern planters will save $9,000,000 a year on their bagging, ties, and sacks, and the Lumber Trust will be compelled to suffer a reduction of revenue of about $60,000,000 a year in the passage of this bill. Upon leather, boots and shoes, saddles and harnesses the saving to the American people will be $37,000,000 a year.

The trusts of the country producing the articles named in this bill will cease riding upon the back of the Government at will to stupendous profits by the strangling of competition. [Applause on the Democratic side.]

The Republican Party, year after year, has made its bargains with the trusts' interests of the country, frying out the fat of bloated corporations and then distributing their money and securing votes in return for measures that have laid the heavy hand of taxation upon the people, not primarily for revenue nor for government but to add to the gigantic wealth of special interests. [Applause on the Democratic side.]

Under this benign protective policy the Republican Party loves the American workman when the votes are coming in and the protected manufacturer when the bills are coming in. [Applause on the Democratic side.]

The object of this free-list bill is to help destroy the principle of government that the many must suffer in order to enrich the few.

I say to you, my friends, let us rise and remove the heavy burden of taxation and give our farmers and artisans an equal chance in life, and the money wrung from them to fill the coffers of great trusts and combinations of capital will go for a better and a happier living, the enjoyment of a greater comfort to the people of our land, and the wages earned in varied employments will go for the better support of the families, the enjoyment in a small measure of some of those pleasures that are incident to the possession of means, and for the better education of their children.

The northern and southern farmer as well are praying for relief from an inequitable burden of taxation and are eagerly expecting some means of relief from the Sixty-second Congress as the result of their voice expressed at the polls in November last. The Democratic principle is: That imports coming in competition with trust-controlled products should be placed upon the free list and articles of absolute necessity should be imported free of duty. The Republican Party has reached its extreme outpost under its last tariff measure.

For the Government gets $1 of revenue while the trusts take $7 out of the pocket of the consumer.

The trust system of this country, of which the Republican Party is the master, belongs to monarchy and feudalism, and it has no valid part or lot in a government built upon the affirmation of all men as free and equal.

The saving that will come to the consumers of the country by the passage of this measure will be stupendous. We find the farmers producing the very things upon which the people of this land subsist, and at every hand their means of production is burdened by the exactions of an oppressive Republican tariff policy largely dictated by the trust barons.

And every revolt against the Republican Party, as indicated by the honest and courageous men upon the floor of this House who bear the title of "insurgents," leaves the party more and more in the clutches of evil influence.

Trust magnates are made the patrons of an exorbitant tariff; they grow rich beyond the dreams of avarice, and the voice of an outraged Nation that the necessaries of life shall be made cheaper falls upon deaf and unresponsive ears.

This economic system places the burden upon the many for the benefit of the few, for without the present extravagant tariff there never could have been the vast accumulation of wealth by the trusts of the country.

Never in the world's history were the ringing words of the great apostle of freedom, William Ewart Gladstone, more true than they are to-day. Gladstone said:

> Conceal the hand of the tax gatherer and you can tax a people to the point of impoverishment, if not starvation, without resistance upon their part.

Remember, my friends, that when an abuse of the legislative power of the country is made to enrich any person it can only be so exercised by the taking of wealth from some one else.

Now, the argument of a protective tariff is that the manufacturer is first enriched and the laborer afterwards. Yet, with a vast number of trusts controlling the products of the land and rolling up millions upon millions, how often do you ever hear of the workmen being called together and given an increase of wages of even a fraction of 1 per cent?

And now what are the actual facts? As a distinguished economist has most well and truly declared:

> After 16 years of Republican rule we find the American laborer working harder and producing more to-day than he ever produced in his life. But he has actually less to eat and wear than he ever had before. And why? Because, my friends, real wages consist of what can be bought with the money received as wages. You can not eat or wear money. You must exchange your money wages for the necessaries of life before you can tell whether wages are high or low.
>
> The trusts have increased the price of living in this country 60 per cent in 16 years, during which time we find that wages have been either at a standstill or declining.
>
> The people of this country are becoming so used to the thought of want under the brutal injustice of the trust system that they do not feel that the evil grows greater to the sufferer the longer that it lasts, for it actually becomes less so to the observer by the very fact of its duration.

And in these days of trust domination how eloquent are the words of Daniel Webster at Plymouth Rock, in December, 1820. Webster said:

> A free government can not long endure where the tendency of law is to concentrate the wealth of the country in the hands of the few and render the masses poor and dependent.

That massive intellect, that clear, gray, gleaming eye foresaw 90 years ago the danger of the economic situation as it exists to-day.

Again, at Albany, N. Y., in 1844, Webster declares:

> The culture of the soil is the great leading interest of the country; trade and manufactures should be regarded as subordinate and auxiliary to it. I am willing to admit that if the theory and practice of protection can be shown distinctly to militate against the agricultural interest it ought to be given up.

It is the experience of the world's history that whenever any person is equipped with the power to oppress his fellow men for his own benefit that power will be exercised.

The economic story of the times is that under this form of protective tariff the right to tax—the greatest right and power that the world knows, and which Chief Justice John Marshall declared was the right to destroy—has passed from the Government to individuals and corporations, in defiance of the popular will.

This policy is diametrically opposed to every contention of justice for which the fathers fought and is the sinister shadow resting upon our land to-day.

Give to the American producer free raw materials and by his marvelous skill he can defy competition in every quarter of the earth.

This policy of protection has made the American flag upon the waterways of the world as great a curiosity almost as the behemoth upon land. But this subject is a more appropriate topic for another day to come.

The tariff taxes of this country should be as low as they can be made, for the very reason that, while effective in gathering revenue, the exaction does not fall upon property, but upon consumption. The tariff laid upon the farmer and artisan is a law upon which the poor stand upon an unhappy plane of equality with the rich.

And the law of taxation, as especially applied to the agriculturists of this land, places the small class within the division of the profits of the trusts of the country.

Why, my friends, the policy of a high protective tariff that has been argued upon this floor during the present debate is identically the same economic policy that drove from the ranks of the Republican Party Wendell Phillips, Horace Greeley, Charles Sumner, William Pitt Fessenden, Lyman Trumbull, Henry Ward Beecher, George William Curtis, Alexander K. McClure, Charles A. Dana, James C. Carter, George Hoadley, D. H. Chamberlin, William Lloyd Garrison, jr., James E. Campbell, Francis Parkman, Walter Q. Gresham, Wayne McVeagh, Thomas M. Cooley, John M. Palmer, James Russell Lowell, Benjamin F. Butler, James Freeman Clarke, Carl Schurz, Salmon P. Chase, Hugh McCulloch, Thomas W. Higginson, Francis A. Walker, David Davis, Moorfield Story, Henry L. Pierce, William Everett, and the present governor of Massachusetts, Eugene N. Foss. [Applause on the Democratic side.]

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

The CHAIRMAN. Will the gentleman from Massachusetts yield to the gentleman from Tennessee?

Mr. AUSTIN. I will give you some extra time from this side.

Mr. CURLEY. I do not wish to yield at present.

In my candid opinion the heresy of the Republican economic situation has been well and truly defined by a distinguished Massachusetts economist, who has declared that because a township may levy taxes to support the poor there is no principle of justice or common sense that compels it to levy taxes and give them to those persons or things that make the poor.

When we see a Carnegie, an Armour, a Morgan, or a Rockefeller able to both control and enact legislation and exact tribute from the whole people the issue becomes far more vital than one of taxation. It is the right of the people to govern themselves and have the law used for their own purpose. A militant and powerful Democracy demands that this right shall be given back to the people and that laws shall be placed upon the statutes that shall free them from trust influence and corrupt legislation.

And remember that the American people have expressed by their suffrage a protest, country-wide in its extent, against this Republican policy of a tariff measure upon which the trusts wax fat, and that every dollar unnecessarily levied in support of a policy designed to enrich a special class is a dollar taken from the family contingent fund.

Its subtraction under this system of protection means less comfort in the home of the American artisan, less clothes and shoes for the children, and less bread upon the table.

We have witnessed in our manufacturing cities the cottage of the toiler disappear with its beautiful environment and breathing ever and again the sweet story of human affection.

We demand that this Nation and its people shall again enjoy that economic freedom that was made possible under Democratic rule and prosperity in the first 60 years of this Republic's life and that the love of country and its flag borne by our forbears in the spirit of the founders of this Nation shall return and that the right of taxation which governs our people shall not be sold upon the altar of Mammon.

We ask for the American workman only the just return for his wage, a means of relief from the unseen, ruthless hand of the taxgatherer which the trust system of this country fosters under a protective tariff.

For it is the men who have hewed the forests, who have built the homes, the schools, the churches, and the ships, and who have blazed the trail across the great confines of this country that have made civilization possible. Other men have been useful indeed, but it has been the man who labors with his brains and hands who has been largely responsible for the world's development.

This class of men must have justice before the law, their protest has been heard at the polls, and for them and in their behalf we ask naught but economic opportunity and freedom. [Loud applause.]

Mr. UNDERWOOD. Mr. Chairman, I yield to the gentleman from Mississippi [Mr. CANDLER].

Mr. CANDLER. Mr. Chairman, I hold in my hand a splendidly written article from the pen of Mr. R. M. Gates, the very intelligent and wide-awake Washington correspondent of the Commercial Appeal, published at Memphis, Tenn., which appeared in the issue of that paper of April 30 last. I ask unanimous consent to print it with these remarks in the RECORD. This is the article to which I refer:

HOUSE DEMOCRATS MAKE PROMISES GOOD—PASS RECIPROCITY, CUT EXPENSES, ETC.—PROMISES MUCH FOR 1912—CHAMP CLARK READILY ACCEDED TO CURTAILMENT OF SPEAKER'S POWER—WILL UNDERTAKE INVESTIGATION OF ALL PARTS OF GOVERNMENT.

[By R. M. Gates.]

WASHINGTON, *April 29, 1911.*

The Democrats of the lower House of the Sixty-second Congress have made an auspicious beginning. They are keeping the faith; they are vindicating the splendid majority by which control of the House was transferred from the Republican to the Democratic Party. They are doing things in an orderly way and without that harshness and friction which the Republicans had hoped and prophesied would mark Democratic domination of the House. No Democratic House ever accomplished more in the way of practical legislation in an equal length of time, and, unless the unexpected supervenes to change the trend of things, the Democratic majority in the House of Representatives will make history of the highest character for the presidential campaign of 1912, in which year even a greater Democratic triumph than that of last November will probably be recorded. Unquestionably things are moving along smoothly in the House as far as the Democrats are concerned. While there was at the beginning of the session some soreness on the part of those Democrats whose patronage plans went awry because of the new rules under which political favors are being dispensed, no Democrat thus far disappointed has sought to create a disturbance. The patronage question is still unsettled in some minor particulars, but as the machinery of the working organization steadies there will be an adjusting of all the parts.

TOOK POWER FROM SPEAKER.

The last congressional campaign was waged along certain well-defined lines of reform, not only with reference to a reformation of the rules of the House, but with respect to matters of vital legislation, notably the tariff. Some time before the Sixty-second Congress was convened in extra session the Democrats of the House met in caucus and agreed that certain important reforms in House procedure should be put into practice. The most radical departure from the old order of things was to take the appointment of committees from the Speaker and lodge that power with the Committee on Ways and Means, which was also constituted the committee on committees. The people had been promised this reform as a far step in the direction of thwarting what had become known as personal legislation, or legislation directed by the Speaker. The Democrats promised to take the appointment of committees from the Speaker before the November election, and after that contest, by which a Republican majority was changed to a Democratic majority in the House, the Republicans declared that the proposed reform would not be vitalized, because CHAMP CLARK, whose promotion to the Speakership was practically settled in advance of the election, would demand that he be allowed to retain all the power that had made his predecessors invincible. But the Republicans were poor profits. Assured of his election as Speaker, Mr. CLARK readily subscribed to the reform by which he, as the presiding officer of the House, would not enjoy the privilege of assigning committee places. Under the new order of things Speaker CLARK is the presiding officer of the House, and nothing more. It has been facetiously observed that all the Speaker has left is the gavel.

CUT EXPENDITURES.

Another important reform which the Democrats promised the country and which they made haste to put into effect was a curtailment of expenditures in connection with the Capitol and the conduct of the business of the various departments. The first part of that promise is already a fact and the second part may be regarded as a near fact. The first official swing of the ax lopped off an annual expense of approximately $183,000, which, under Republican control of the House, had been paid to useless employees about the Capitol. For example, at the beginning of our trouble with Spain a wild rumor of a "dastardly conspiracy" to blow up the Capitol swept the Republican side of the House of Representatives. Instantly 35 additional guards were given service in the great building. These police recruits were brought from Republican districts as a reward for political favors, and remained on the Government pay roll until the Democrats organized the present House. Moreover, clerks had been appointed to committees which never held a meeting. The Democrats could not see why useless policemen and clerks should be retained on the pay roll simply because they found them there when they took control of affairs at the House end of the Capitol.

PASS RECIPROCITY.

Freer trade relations with Canada has been agitated by both Democrats and liberal Republicans for years, but under the Cannon régime there was no chance to break the shackles which American tariff barons had placed upon the arms of commerce. President Taft tried it the first year of his administration and failed. The Democrats made it one of the issues in the congressional campaign, promising closer trade relations with Canada if the people would place them in control of the House. What they have done toward the redemption of that pledge is the most interesting chapter yet written by the Democrats of the House of the Sixty-second Congress. The treaty which President Taft negotiated with Canada was put up to them, and they in turn have put it squarely up to the Senate, after giving it their enthusiastic indorsement. Another important pledge to the country was then fulfilled. What the Republican Senate is going to do is a matter for speculation. Surface indications are that the treaty will be accepted, but not without a long and hard struggle. If the Senate rejects the Canadian reciprocity proposition, it will mean the beginning of the end of President Taft's aspirations to succeed himself in the White House. * * *

WILL PASS FARMERS' FREE LIST.

Still another great reform promised by the Democrats was to revise the important schedules of the Payne-Aldrich protective tariff law. Not only will the Democrats of the House revise the vicious woolen and cotton schedules, but they will pass what they have labeled as their "farmers' free-list bill." This bill seeks to place upon the free list

agricultural implements, mechanics' tools, and many articles of food of common consumption. This bill will draw the full fire of the protectionist forces in both Houses, and it is by no means certain that President Taft would sign the bill if it should get to him. At any rate, the Democratic House is going to put the issue up to the Senate and the Executive.

WHOLESALE INVESTIGATION.

A searching investigation into the various departments of Government will be undertaken at the instance of the Democratic majority in the House. Committees charged with the conduct of these investigations have been appointed, and soon the light will be turned on in full force. That there is "something rotten in Denmark" is beyond dispute, and the Democrats are going to locate the malodorous odor. There has not been an investigation of some of the departments in nearly 20 years, so the timeliness of the proposed looking into things is apparent.

In view of what they have already done and what they propose to accomplish, the Democrats of the House feel that they will convince the country of their capacity for still greater achievement with the cooperation of a Democratic Senate and Democratic President.

Mr. UNDERWOOD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. ALEXANDER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 4413—the free-list bill—and had come to no resolution thereon.

WITHDRAWAL OF PAPERS.

Mr. PALMER, by unanimous consent, was granted leave to withdraw from the files of the House, without leaving copies, the papers in the case of Alton E. Cobb, Sixtieth Congress, no adverse report having been made thereon.

ADJOURNMENT.

Mr. UNDERWOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 15 minutes p. m.) the House adjourned until to-morrow, May 4, 1911, at 11 o'clock a. m.

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## PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MATTHEWS: A bill (H. R. 8468) to provide for the erection of a public building at Canonsburg, Pa.; to the Committee on Public Buildings and Grounds.

By Mr. KORBLY: A bill (H. R. 8469) to amend section 5278 of the Revised Statutes of the United States; to the Committee on the Judiciary.

By Mr. BUTLER: A bill (H. R. 8470) to establish a national military park at the Brandywine battle ground, Pennsylvania; to the Committee on Military Affairs.

Also, a bill (H. R. 8471) to provide for the erection of a public building at Phoenixville, Pa.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 8472) to erect a monument on Brandywine battle field, Chester County, Pa.; to the Committee on the Library.

Also, a bill (H. R. 8473) to erect a monument to the memory of John Morton; to the Committee on the Library.

By Mr. FRANCIS: Resolution (H. Res. 147) to appoint a committee of five Members of the House to investigate the American Woolen Co. and ascertain whether said company has or is violating the antitrust act of 1890 or any other law of the United States; to the Committee on Rules.

By Mr. STANLEY: Resolution (H. Res. 148) to investigate violations of the antitrust act of 1890, and other acts; to the Committee on Rules.

By Mr. GODWIN of North Carolina: Resolution (H. Res. 150) authorizing the Committee on Reform in the Civil Service to examine into the affairs of the Civil Service Commission; to the Committee on Rules.

By Mr. DIFENDERFER: Resolution (H. Res. 151) asking the Secretary of the Navy to furnish data; to the Committee on Naval Affairs.

Also, resolution (H. Res. 152) asking the Secretary of War to furnish data; to the Committee on Military Affairs.

By Mr. BROUSSARD: Joint resolution (H. J. Res. 86) to investigate the Diplomatic and Consular Services of the United States; to the Committee on Rules.

By Mr. FITZGERALD: Memorial of the Legislature of New York favoring elections of United States Senators by direct vote of the people; to the Committee on Election of President, Vice President, and Representatives in Congress.

## PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN: A bill (H. R. 8474) granting an increase of pension to James A. Wells; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8475) granting a pension to Teresa Kennedy; to the Committee on Invalid Pensions.

By Mr. ANDERSON of Ohio: A bill (H. R. 8476) granting an increase of pension to John C. Ernst; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8477) granting an increase of pension to Israel Walterhouse; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8478) granting an increase of pension to Alba Howey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8479) granting an increase of pension to Samuel G. Powell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8480) granting an increase of pension to Nicholas H. Pond; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8481) granting an increase of pension to Charles F. Keller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8482) granting an increase of pension to Merritt Hauver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8483) granting an increase of pension to Joseph Mahaffey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8484) granting an increase of pension to Pollis Blon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8485) granting an increase of pension to Llewellyn W. French; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8486) granting an increase of pension to John Schlosser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8487) granting an increase of pension to Francis M. Baker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8488) granting an increase of pension to Eliza J. Sweet; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8489) granting an increase of pension to Amon Freese; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8490) granting an increase of pension to James A. Buchanan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8491) granting an increase of pension to A. S. Konkel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8492) granting an increase of pension to Isaac Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8493) granting an increase of pension to Thomas Cupps; to the Committee on Pensions.

By Mr. BRADLEY: A bill (H. R. 8494) granting an increase of pension to Charles G. Johnston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8495) granting an increase of pension to Lewis Snyder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8496) granting an increase of pension to Gabriel F. Currey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8497) granting an increase of pension to Alonzo Carson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8498) granting an increase of pension to Thomas Swope; to the Committee on Invalid Pensions.

By Mr. BUTLER: A bill (H. R. 8499) granting an increase of pension to James T. Kelly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8500) granting an honorable discharge to Alfred L. Dutton; to the Committee on Military Affairs.

Also, a bill (H. R. 8501) for the relief of Lieut. Jerome E. Morse, United States Navy, retired; to the Committee on Naval Affairs.

Also, a bill (H. R. 8502) for the relief of William H. Diamond; to the Committee on Claims.

Also, a bill (H. R. 8503) granting a pension to Catherine E. Jacobs; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8504) granting a pension to Horace W. Durnall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8505) granting a pension to Frank E. Laurence; to the Committee on Pensions.

By Mr. CARY: A bill (H. R. 8506) granting a pension to Albert B. Kidder; to the Committee on Invalid Pensions.

By Mr. CLARK of Missouri: A bill (H. R. 8507) for the relief of Mag Brown; to the Committee on War Claims.

Also, a bill (H. R. 8508) for the relief of the legal representatives of Charles Durkee, deceased; to the Committee on War Claims.

By Mr. DENVER: A bill (H. R. 8509) granting an increase of pension to Burch Miller; to the Committee on Pensions.

Also, a bill (H. R. 8510) granting an increase of pension to Valentine Barnett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8511) granting an increase of pension to Mahlon C. Sween; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8512) granting an increase of pension to John W. Thompson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8513) granting an increase of pension to Samuel Wolf; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8514) granting an increase of pension to James Gaines; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8515) granting an increase of pension to John L. Fritz; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8516) granting an increase of pension to James F. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8517) granting an increase of pension to John C. Bingaman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8518) granting an increase of pension to L. S. Clemans; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8519) granting an increase of pension to Virgil D. Rose; to the Committee on Invalid Pensions.

By Mr. DONOHOE: A bill (H. R. 8520) granting a pension to Francis A. Grenner; to the Committee on Invalid Pensions.

By Mr. FORDNEY: A bill (H. R. 8521) granting an increase of pension to Alfred O. Bush; to the Committee on Invalid Pensions.

By Mr. FULLER: A bill (H. R. 8522) granting an increase of pension to William W. Hudson; to the Committee on Invalid Pensions.

By Mr. GRAHAM: A bill (H. R. 8523) granting an increase of pension to John W. Cummings; to the Committee on Invalid Pensions.

By Mr. GRAY: A bill (H. R. 8524) granting an increase of pension to James W. Hall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8525) granting an increase of pension to Thomas B. Garrison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8526) granting an increase of pension to Joseph B. Randall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8527) granting an increase of pension to Daniel Bennett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8528) granting an increase of pension to Perry Bottles; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8529) granting an increase of pension to William Catt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8530) granting an increase of pension to Louisa McConnell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8531) granting an increase of pension to Henry C. Powell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8532) granting an increase of pension to Joshua F. Spurlin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8533) granting an increase of pension to Othaniel Reed; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8534) granting an increase of pension to Henry Seal; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8535) granting an increase of pension to William A. Wreunick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8536) granting an increase of pension to William A. Robson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8537) granting an increase of pension to Isaac H. Earl; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8538) granting an increase of pension to Middleton Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8539) granting a pension to James F. Adams; to the Committee on Pensions.

Also, a bill (H. R. 8540) granting a pension to John F. Joyce; to the Committee on Pensions.

Also, a bill (H. R. 8541) granting a pension to James H. Williams; to the Committee on Pensions.

Also, a bill (H. R. 8542) granting a pension to Morton W. Sebring; to the Committee on Pensions.

Also, a bill (H. R. 8543) to correct the military record of Thomas Weaver; to the Committee on Military Affairs.

Also, a bill (H. R. 8544) to correct the military record of Edward Payton, alias Edward Paddin; to the Committee on Military Affairs.

Also, a bill (H. R. 8545) to correct the military record of Wendlin Erust; to the Committee on Military Affairs.

Also, a bill (H. R. 8546) to correct the military record of Leopold Baudendistel; to the Committee on Military Affairs.

Also, a bill (H. R. 8547) to correct the military record of Samuel Brown; to the Committee on Military Affairs.

By Mr. HARRIS: A bill (H. R. 8548) granting an increase of pension to Jacob L. Batchelder; to the Committee on Invalid Pensions.

By Mr. HENSLEY: A bill (H. R. 8549) granting an increase of pension to Blazins Untereiner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8550) granting a pension to Elizabeth Bay; to the Committee on Pensions.

Also, a bill (H. R. 8551) granting a pension to Thomas J. Stroup; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8552) granting a pension to Mary Reilly; to the Committee on Pensions.

By Mr. HUGHES of New Jersey: A bill (H. R. 8553) granting an increase of pension to Charles Nellman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8554) granting a pension to Thomas F. Keating; to the Committee on Pensions.

Also, a bill (H. R. 8555) granting a pension to Lillian J. Hartley; to the Committee on Pensions.

By Mr. KENNEDY: A bill (H. R. 8556) granting an increase of pension to Ferdinand Armentrout; to the Committee on Invalid Pensions.

By Mr. LAFFERTY: A bill (H. R. 8557) granting a pension to William E. Reed; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8558) granting a pension to Philip C. Elbert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8559) granting a pension to Fred W. Nisbett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8560) granting an increase of pension to Jen Rody Chauncey; to the Committee on Invalid Pensions.

By Mr. McGUIRE of Oklahoma: A bill (H. R. 8561) granting an increase of pension to Moses Soard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8562) granting an increase of pension to Wallace R. Kelley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8563) granting an increase of pension to Andrew J. Berlin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8564) granting an increase of pension to Joseph H. Cox; to the Committee on Invalid Pensions.

By Mr. MAGUIRE of Nebraska: A bill (H. R. 8565) granting an increase of pension to Frederick Claus; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8566) granting an increase of pension to Cyrus W. Graff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8567) granting an increase of pension to Robert N. Crawford; to the Committee on Invalid Pensions.

By Mr. MAHER: A bill (H. R. 8568) granting an increase of pension to Ellen T. Dunne; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8569) granting an increase of pension to Edward D. Bliss; to the Committee on Invalid Pensions.

By Mr. MANN: A bill (H. R. 8570) granting an increase of pension to O. B. Shine; to the Committee on Invalid Pensions.

By Mr. MATTHEWS: A bill (H. R. 8571) granting an increase of pension to James Campbell Stevenson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8572) granting an increase of pension to Thomas S. Vale, alias Thomas Vaile; to the Committee on Invalid Pensions.

By Mr. MOSS of Indiana: A bill (H. R. 8573) granting an increase of pension to John C. Moss; to the Committee on Invalid Pensions.

By Mr. NORRIS: A bill (H. R. 8574) granting a pension to Wenzel Patzelt; to the Committee on Pensions.

Also, a bill (H. R. 8575) granting an increase of pension to James P. Hanlin; to the Committee on Invalid Pensions.

By Mr. PATTON of Pennsylvania: A bill (H. R. 8576) granting a pension to John M. Bunnell; to the Committee on Pensions.

Also, a bill (H. R. 8577) granting an increase of pension to James V. Gault; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8578) granting an increase of pension to Reuben Venatta; to the Committee on Invalid Pensions.

By Mr. PEPPER: A bill (H. R. 8579) granting a pension to David A. Jones; to the Committee on Invalid Pensions.

By Mr. PETERS: A bill (H. R. 8580) granting a pension to Lucy F. Geiger; to the Committee on Pensions.

Also (by request), a bill (H. R. 8581) for the allowance of certain claims reported by the Court of Claims under the provisions of the acts approved March 3, 1883, and March 3, 1887, and commonly known as the Bowman and the Tucker Acts; to the Committee on Claims.

By Mr. TILSON: A bill (H. R. 8582) granting an increase of pension to John S. Cairoli; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8583) granting an increase of pension to Henry Root; to the Committee on Invalid Pensions.

By Mr. UNDERHILL: A bill (H. R. 8584) granting an increase of pension to Frank Sayre; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8585) granting an increase of pension to William Stanley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8586) granting an increase of pension to William H. Hooper; to the Committee on Invalid Pensions.

By Mr. UTTER: A bill (H. R. 8587) granting an increase of pension to George P. Kenyon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8588) granting an increase of pension to William H. Follett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8589) granting an increase of pension to Margaret J. Lawton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8590) granting an increase of pension to Martha E. Robbins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8591) granting an increase of pension to Mary F. Underwood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8592) granting an increase of pension to Georgianna M. Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8593) granting an increase of pension to Catherine Sheehan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8594) granting an increase of pension to John P. Case; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8595) granting an increase of pension to Michael McCormick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8596) granting an increase of pension to Joseph Walker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8597) granting an increase of pension to Albert Phetteplace; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8598) granting an increase of pension to Samuel E. Reynolds; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8599) granting an increase of pension to Henry Bucklin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8600) granting an increase of pension to Henry S. Sharpe; to the Committee on Invalid Pensions.

By Mr. WILLIS: A bill (H. R. 8601) granting an increase of pension to James A. Brake; to the Committee on Invalid Pensions.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. ASHBROOK: Resolutions of the Glass Bottle Blowers' Association, No. 101, Coshocton, Ohio, favoring a repeal of 10 cents tax on oleomargarine; to the Committee on Agriculture.

Also, petition of T. B. Gilbert and 10 other merchants of Loudonville, Ohio, in opposition to the parcels post; to the Committee on the Post Office and Post Roads.

By Mr. BARCHFELD: Petitions of the International Molders' Union of North America, Local No. 270, and the Chamber of Commerce and the Oakland Board of Trade, all of Pittsburg, Pa., favoring a reduction of the tax on oleomargarine; to the Committee on Agriculture.

By Mr. BRADLEY: Petition of 75 residents of the twentieth New York congressional district, favoring the establishment of a national department of health; to the Committee on Expenditures in the Interior Department.

Also, resolution of Washington Camp No. 84, Goshen, N. Y., favoring legislation to restrict undesirable immigration; to the Committee on Immigration and Naturalization.

Also, petition of Local Union No. 713, Painters, Decorators, and Paper Hangers of America, favoring repeal of the tax on oleomargarine; to the Committee on Agriculture.

By Mr. BUTLER: Resolutions of Local No. 275, of Chester Springs; Camp No. 314, of Darby; and Local No. 338, of Downington, all in the State of Pennsylvania, favoring the illiteracy test; to the Committee on Immigration and Naturalization.

Also, petition of Rayersford and Spring City Trades Council, Spring City, Pa., favoring withdrawal of the troops from Mexican border; to the Committee on Military Affairs.

Also, resolution of the Board of Trade of Chester, Pa., favoring a permanent tariff commission; to the Committee on Ways and Means.

By Mr. DENVER: Sundry telegrams from W. E. Noftsinger, of Hillsboro, Ohio, against any change in tariff on wool; from J. R. Bickett, Xenia, Ohio, and J. M. McKinney, against the reduction of the tariff on wool; and telegram and letter from the Xenia Shoe Manufacturing Co., Xenia, Ohio, against the removal of duties on shoes; to the Committee on Ways and Means.

By Mr. DRAPER: Resolution of the State senate at Albany, N. Y., favoring the election of United States Senators by the direct vote of the people; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. ESCH: Petition of the National Association of Tanners, protesting against placing leather on the free list; to the Committee on Ways and Means.

By Mr. FITZGERALD: Memorial of the Legislature of New York, favoring elections of United States Senators by direct vote of the people; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. FULLER: Papers to accompany bills for relief of William W. Hudson, of Rockford, Ill., and Alonzo F. Stalker, of Winnebago County, Ill.; to the Committee on Invalid Pensions.

By Mr. GARDNER of Massachusetts: Resolutions of the Essex County (Mass.) Shoe & Leather Association, protesting against any change in the existing tariff schedules on leather, boots, and shoes, and National Association of Tanners, against placing leather on the free list; to the Committee on Ways and Means.

By Mr. GRAHAM: Papers to accompany bill for the relief of John W. Cummings, of Litchfield, Ill.; to the Committee on Invalid Pensions.

By Mr. HAMMOND: Petition of assessors of Cottonwood County, Minn., against Canadian reciprocity; to the Committee on Ways and Means.

Also, petition of Excelsior Chapter of American Woman's League, of Amboy, Minn., favoring parcels post; to the Committee on the Post Office and Post Roads.

By Mr. HELM: Papers to accompany H. R. 8436, for the relief of the heirs or estates of William McClure and Margaret McClure, deceased, of Eubank, Pulaski County, Ky.; to the Committee on War Claims.

By Mr. MATTHEWS: Papers in support of bill introduced in behalf of James Campbell Stevenson, county of Lawrence, State of Pennsylvania; to the Committee on Invalid Pensions.

Also, papers in re bill for an appropriation of $100,000 for a site and a public building at Canonsburg, Pa.; to the Committee on Public Buildings and Grounds.

By Mr. RICHARDSON: Papers to accompany H. R. 7577, for the relief of the estate of L. C. Chisholm, of Tuscumbia, Ala.; to the Committee on War Claims.

By Mr. SULZER: Petition of Seward Commercial Club, Seward, Alaska, requesting that legislation be enacted to open the coal fields of Alaska; to the Committee on the Public Lands.

Also, resolutions of Bookkeepers, Stenographers, and Accountants' Union, Local 12646, American Federation of Labor, of New York City, protesting against the kidnaping of John J. McNamara from the State of Indiana; to the Committee on the Judiciary.

Also, memorial of the Legislature of New York, favoring elections of United States Senators by direct vote of the people; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. UTTER: Resolutions of the Second Convention of the Churches of Rhode Island, representing all Protestant denominations, approving the Sunday closing of post offices, so far as possible, and advocating the establishment of a parcels post; to the Committee on the Post Office and Post Roads.

By Mr. WILLIS: Petition of F. D. Keller and 97 other citizens of West Mansfield, Ohio, asking for the passage of bill granting an increase of pension to James A. Brake, and affidavits to accompany bill for the relief of James A. Brake; to the Committee on Invalid Pensions.

# SENATE.

THURSDAY, *May 4, 1911.*

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

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

### PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented a petition of the National Business League of America, praying for the ratification of the proposed reciprocal trade agreement between the United States and Canada, which was referred to the Committee on Finance.

He also presented resolutions adopted by the Mothers' Meeting of the Mount Pleasant Woman's Christian Temperance Union of the District of Columbia, praying for the adoption of an amendment to the Constitution to prohibit polygamy, which were referred to the Committee on the Judiciary.

He also presented petitions of the congregations of the Churches of the Brethren, of Speermoore and Waynoka, Okla., and of the Presbyterian Ministerial Association, of Pittsburg, Kans., praying for the enactment of legislation for the suppression of the opium evil, which were referred to the Committee on Foreign Relations.

Mr. WARREN presented a memorial of Local Union No. 4, International Brotherhood of Paper Makers, of Watertown, N. Y.; and a memorial of the Hartje Paper Manufacturing Co.,